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STATE LANDS COMMISSION

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WHEN RECORDED mail to:
State Lands Commission
100 Howe Avenue, 100-S
Sacramento, CA 95825
Attention: Kathryn Colson, Staff Counsel

STATE OF CALIFORNIA
OFFICIAL BUSINESS: Document
Entitled to free recordation
Pursuant to Government Code
Section 27383

G 09-02.10; AD 596; PRC 8946.9

APN: 047-190-06; 047-222-02;
047-222-03; 047-222-08

NO TAX DUE

Above space for Recorder's use only

**COMPROMISE TITLE SETTLEMENT AND LAND EXCHANGE AGREEMENT
REGARDING CERTAIN LANDS IN THE VICINITY OF LOWER NEWPORT BAY
CITY OF NEWPORT BEACH, CALIFORNIA**

The parties to this Agreement are the State of California, acting by and through the California State Lands Commission, hereinafter "STATE," the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, hereinafter referred to as "TRUSTEE," and the City of Newport Beach, a municipality, hereinafter "CITY," the above collectively referred to as "Parties." The City of Newport Beach, when being generally described or when acting in its dual role as Trustee and City is hereinafter referred to as "City of Newport Beach" or "City."

RECITALS

1. Upon its admission to the United States of America on September 9, 1850, the State of California, by virtue of its sovereignty under the Equal Footing Doctrine of the Constitution of the United States, received in trust for the people of California all right, title, and interest in previously ungranted tidelands and submerged lands within its boundaries for public trust purposes including but not limited to commerce, navigation and fisheries.

2. Pursuant to the provision of Division 6 of the Public Resources Code, including Sections 6216 and 6301, the STATE is vested with all jurisdiction and authority as to the right, title, and interest in all ungranted tidelands and submerged lands held by California in trust for the benefit of all the people of the State of California and the reversionary interest of the State as to public trust lands legislatively granted to local governments.
3. TRUSTEE is trustee of the tide and submerged lands granted to it by the California Legislature, pursuant to, *inter alia*, Chapter 78 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, hereinafter referred to as "statutory trust grant," which granted to the City of Newport Beach the State's right, title and interest in and to portions of the State's tidelands and submerged lands, of the City of Newport Beach, in trust for the public, and subject to certain terms, conditions, exceptions and reservations.
4. This Agreement concerns an approximately 10.3 acre parcel of real property located in the City of Newport Beach, County of Orange, State of California, in lower Newport Bay between 15th and 18th street and is commonly referred to as Marina Park and referred to throughout this Agreement, for convenience, as the "Subject Property" described in Exhibit A and shown for reference purposes only on Exhibit B.
5. This Agreement involves two parcels of land within the Subject Property. The Trust Termination Parcel is the area landward of the Agreed Boundary Line within the Subject Property which is described in Exhibit D and depicted for reference on Exhibit F. The Public Trust Parcel is the area waterward of the Agreed Boundary Line within the Subject Property which is described in Exhibit E and depicted for reference on Exhibit F.
6. Lower Newport Bay was formed by natural accretion of sand material carried by the Santa Ana River during flood stages. The location of the entrance channel to Lower Newport Bay was dredged in 1919. The Santa Ana River continued to discharge into Lower Newport Bay until 1921 when the County of Orange completed the construction of a new river outlet to the Pacific Ocean in the vicinity of 57th Street in the City of Newport Beach.
7. In 1875, the U.S. Coast and Geodetic Survey surveyed the topography in the vicinity of the Newport Bay (Register No. 1875). In 1889, S.H. Finley conducted a survey for the Government Land Office of swamp and overflowed lands adjacent to Newport Bay in fractional township N6S, range N10W SBM which was officially approved by the U.S. Government June 30, 1890.
8. On May 16, 1892, a portion of the Subject Property was sold by the State patented as Swamp and Overflowed Location 3089 (Lot 4, Section 33, T6S, R10W) with no minerals

reserved to James McFadden. A portion of the Subject Property was also part of the 1034 acres of California Swamp Land List No. 106 that was patented to the State on August 16, 1902.

9. In 1902, McFadden sold his land to the founders of the Newport Company. The Newport Company conveyed a right of way to Pacific Electric Railway for the operation of its Balboa Peninsula route, which continued until in 1940 when the Newport Pier became the terminus for Pacific Electric Railway's southernmost route.
10. The U.S. Army Corps of Engineers surveyed Newport Bay in 1912 for harbor and navigation purposes.
11. On July 27, 1916, an Act of the U.S. Congress secured the establishment of the harbor lines in Lower Newport Bay. The harbor lines were subsequently revised on May 2, 1936 following the completion of improvements to Lower Newport Bay by the U.S. Government.
12. In 1918 and 1919, the south side of Newport Bay between 8th Street and 19th Street was dredged.
13. In July 1919, the California Legislature granted the tide and submerged lands within the City of Newport Beach to the City pursuant to the Statutes of 1919, Chapter 494. This grant was subsequently repealed by the Statutes of 1978, Chapter 74, as amended.
14. In August 1919, the Pacific Electric Land Company conveyed portions of the Subject Property to the City.
15. The City brought several quiet title actions in the Orange County Superior Court against upland parcels of land in Lower Newport Bay in the 1920s. The cases were decided after the dredging and filling of Newport Bay was completed and set the boundary line between the uplands and tidelands at the bulkhead line. The STATE was not a party to these quiet title actions. However, pursuant to the Statutes of 1929, Chapter 142, the California Legislature confirmed the court decrees establishing the ordinary high tide line for the various upland properties against which the City brought actions.
16. The Subject Property was not the subject of any of the quiet title actions described above. The area between 18th and 19th Streets adjacent to the Subject Property was subject to a boundary line agreement and quiet title action in 1941 and 1942 respectively. The 1942 quiet title action (SCC # 40434, filed April 17, 1942, Orange County Recorder's Office Book 1145, Page 172) set the ordinary high tide line which is the boundary between tidelands and uplands for the property between 18th and 19th Streets.

17. The STATE has consistently maintained that a large portion of the Subject Property includes artificially filled sovereign tide and submerged lands that have been legislatively granted, in trust, to the City to manage on behalf of the State.
18. The CITY has consistently maintained that the bulkhead line is the boundary between State sovereign tide and submerged lands and uplands, which uplands have been acquired by the City from Pacific Electric Land Company and the Pacific Electric Railway Company.
19. The CITY desires to develop and improve the Subject Area as the proposed Marina Park development. For the past few decades mobile homes have been located on the Subject Property. As part of the Marina Park development, the CITY plans to build an expanded marina, sailing center, community center, parking, Girl Scout house and provide open recreational space and public access to through the park and to the beach adjacent to the Lower Newport Bay.
20. The Parties, hereto, consider it expedient and necessary and in the best interests of the STATE, the CITY, the TRUSTEE and the public to enter into this compromise title settlement and land exchange.
21. As part of this compromise title settlement and exchange agreement, the Parties deem it expedient and necessary and in their respective best interests to permanently fix and establish the location of the boundary between State sovereign lands and uplands by this Agreement as the Agreed Boundary Line as described in Exhibit C and depicted for reference on Exhibit F. This Agreed Boundary Line will represent the common boundary between sovereign lands of the state and City owned uplands within the Subject Property.
22. The STATE is authorized under Division 6 of the Public Resources Code, and specifically pursuant to Section 6307 thereof, to exchange interests in real property held by the STATE by reason of its sovereignty for interests in other lands of equal or greater value.
23. This Agreement provides for the TRUSTEE to quitclaim the Trust Termination Parcel to the STATE, substantially in the form of Exhibit G; and the STATE to terminate its public trust interests in the Trust Termination Parcel, and quitclaim all its interest in the Trust Termination Parcel to the CITY substantially in the form of Exhibit I.
24. This Agreement will terminate all public trust interest in the Trust Termination Parcel and will impress the Public Trust on the Public Trust Parcel. The STATE will hold the Public Trust Parcel subject to the Public Trust, in its sovereign capacity in trust for the people of the state as real property of the legal character of tide and submerged lands, and subsequently lease the Public Trust Parcel to the TRUSTEE for purposes consistent with the City's statutory trust grant.

25. In the interest of settlement, the STATE and the CITY have conducted independent studies and evaluations of the title and boundary evidence, appraised value, case law, and other relevant information concerning the Subject Property. Based on such efforts, the monetary value of the Public Trust Parcel to be conveyed to the STATE by the City is equal or greater in value than the sovereign interest in the Trust Termination Parcel to be quitclaimed by the STATE to the CITY.
26. The Public Trust Parcel is beneficial to the public trust as it will enhance public access to the water through the creation of an aquatic beach front public park, open space, an expanded marina and boating facilities, in addition to providing opportunities for enhanced water-related recreation.
27. The Trust Termination Parcel has been filled and reclaimed and is above the current mean high tide and is a minimum distance of 65 feet more or less from the present location of the shoreline.
28. The Trust Termination Parcel is not necessary for public trust purposes of navigation, commerce and fisheries and the Public Trust Parcel to be acquired, because of its location and the proposed development, which includes open space, an expanded marina and sailing facility, aquatic beachfront public park, public access paths, and public parking, can be used more effectively by TRUSTEE in furtherance of public trust purposes than the Trust Termination Parcel to be conveyed.
29. Pursuant to Public Resources Code section 21080.11 and the California Code of Regulations section 15282(f) this Agreement and the lease that is integral to this Agreement are exempt from the requirements of the California Environmental Quality Act as this is a settlement of the boundary and title problems. Pursuant to Government Code Section 66412(e), provisions of the Subdivision Map Act do not apply to agreements to which the California State Lands Commission is a party.
30. The CITY certified its EIR (#2008051096) for the proposed Marina Park development on May 11, 2010.
31. The City by approval of agenda item #26, at its meeting of September 13, 2011, approved this Agreement.
32. The STATE, by approval of agenda item #C73, at its meeting of September 1, 2011, approved this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the terms set forth below and for valuable consideration, the receipt of which is hereby acknowledged, the Parties mutually agree to the following terms and conditions and to convey certain property rights as follows:

I. **PROPERTY INTEREST EXCHANGE AND CONVEYANCES**

A. **Establishing an Agreed Boundary Line**

This Agreement is intended to clear title to the Subject Property and by necessity requires the creation of parcels having a common boundary line. The STATE and the CITY hereby agree to permanently fix and establish the location of a common boundary between sovereign fee lands of the State and City owned uplands as the Agreed Boundary Line as described in Exhibit C and shown for reference on Exhibit F. This boundary line does not represent a determination of the location of the Ordinary High Water Mark or the Ordinary Low Water Mark as provided for in Public Resources Code Section 6357.

B. **TRUSTEE to convey TRUST TERMINATION PARCEL to STATE.**

In consideration of STATE'S cooperation and assistance in facilitating the exchange of properties of TRUSTEE with CITY and STATE and the lease to TRUSTEE of the properties acquired by STATE from CITY, TRUSTEE agrees to remise, release, and forever quitclaim all its right, title and interest, existing by virtue of the Granting Statutes, in the Trust Termination Parcel (in substantially the form of the deed attached as Exhibit G) to STATE.

C. **CITY to convey PUBLIC TRUST PARCELS to STATE.**

In consideration of the agreement by STATE to convey Trust Termination Parcel to CITY, as provided in paragraph 1. D. below, CITY agrees to convey all its right, title and interest in the Public Trust Parcel (in substantially the form of the deed attached as Exhibit H) to STATE.

D. **STATE to convey TRUST TERMINATION PARCEL to CITY.**

In consideration of the agreement by CITY to convey to STATE all its right, title and interests in the Public Trust Parcel, as provided for in paragraph 1. C. above, STATE agrees to convey to CITY all its right, title and interest to the Trust Termination Parcel, free of the public trust (in substantially the form of the deed attached as Exhibit I).

E. **STATE to grant to TRUSTEE a Lease for PUBLIC TRUST PARCELS.**

In consideration of the agreement by TRUSTEE to convey to STATE all its right, title and interests in the Trust Termination Parcel, as provided for in paragraph 1. B. above, STATE agrees to grant to TRUSTEE a 49-year lease with the STATE for the Public Trust Parcel acquired from CITY in a lease consistent with the form shown in Exhibit J, hereto.

F. **STATE'S Agreement to Accept the Property Interests to be Conveyed as provided in Paragraphs 1.B.**

STATE agrees to accept the property interests conveyed by TRUSTEE as provided for in paragraph 1.B. above. Said acceptance shall be made by the execution and recordation of Certificate of Acceptance in substantially the form of those attached as Exhibit K, hereto.

G. STATE'S Agreement to Accept the Property Interests to be Conveyed as provided in Paragraphs 1.C.

STATE agrees to accept the property interests conveyed by CITY as provided for in paragraph 1.C. above. Said acceptance shall be made by the execution and recordation of Certificate of Acceptance in substantially the form of those attached as Exhibit L, hereto.

H. CITY'S Agreement to Accept the Property Interests to be Conveyed as provided in Paragraphs 1.D.

CITY agrees to accept the property interests conveyed by STATE as provided for in paragraph 1.D. above. Said acceptance shall be made by the execution and recordation of Certificate of Acceptance in substantially the form of those attached as Exhibit M, hereto.

I. STATE and City to cooperate.

STATE, TRUSTEE and CITY shall expeditiously pursue obtaining the legislation necessary for STATE to transfer to TRUSTEE fee title, in trust and under substantially the same terms as the statutory trust grant, to the Public Trust Parcel in substantially the form of Exhibit N.

II. STATE LANDS COMMISSION FINDINGS. STATE by its approval and authorization of agenda item C73 at its meeting of September 1, 2011, and authorization of the execution of this Agreement, pursuant to Public Resources Code section 6307 finds and declares the following, which findings and declarations II.A. through II.H. below, shall become effective only upon recordation as provided herein:

- A. The Public Trust Parcel provides significant benefits to the public trust by enhancing public access to the water through the creation of an aquatic beachfront public park, open space, an expanded marina and boating facilities and public parking.
- B. The exchange provided for in this Agreement does not substantially interfere with public rights of navigation and fishing, but rather will enhance the public's rights of access and navigation in the Public Trust Parcel.
- C. The monetary value of the Public Trust Parcel to be conveyed to the STATE by the CITY is equal to or greater than the value of the Trust Termination Parcel to be quitclaimed by the STATE to the CITY.
- D. The Trust Termination Parcel being relinquished by the STATE, is a relatively small parcel, cut off from water access and no longer is in fact tidelands or submerged lands or navigable waterways, by virtue of being filled or reclaimed, and is relatively useless for public trust purposes.
- E. This Agreement is in the best interests of the state by removing a contested use of sovereign land at no expense to the STATE; enhancing public access to and along the water and creating an expanded marina and boating facilities, an aquatic beachfront public park, open space and other public trust consistent development.

- F. This Agreement shall release any and all public trust claims from the Trust Termination Parcel that is being released by the STATE to the CITY and shall impose the public trust onto the Public Trust Parcel that is being received by the STATE from the CITY.
- G. The exchange provided for in this Agreement is to enhance public access to and along the water; to enhance waterfront and nearshore development for trust purposes; to preserve, enhance, or create open space; and, to resolve boundary or title disputes.
- H. It is the intent of this Agreement, that to the extent that there are mineral rights present in either parcel, those rights shall be transferred with the corresponding surface estate.

III. **ADDITIONAL PROVISIONS**

- A. **Acceptance of Conveyances and Consent to Recording.**
By execution of this Agreement, STATE, TRUSTEE and CITY agree to accept the herein described conveyances of land and hereby consent to the recording of the conveyances and other documents executed pursuant to this Agreement.
- B. **Further Assurances.**
So long as authorized by applicable laws to do so, the Parties hereto will perform such other acts, and execute, acknowledge and deliver all further documents, conveyances and other instruments that may be necessary to effectuate fully the provisions of this Agreement.
- C. **Execution before a Notary Public.**
All signatures of the Parties to this Agreement and all documents executed pursuant to this Agreement, other than the Governor's signature that shall be attested to by the Secretary of State, shall be acknowledged before a Notary Public. A certificate of acceptance shall be attached to the executed quitclaims to allow them to be recorded in the Office of the Recorder of Orange County, California.
- D. **Counterparts.**
This Agreement may be executed in any number of counterparts and each executed counterpart shall have the same force and effect as an original and as if all of the Parties to the aggregate counterparts had signed the same instrument.
- E. **CITY to Indemnify and Hold STATE and TRUSTEE Harmless.**
The CITY shall indemnify, defend and hold harmless the STATE, its officers, agencies, commissions, and employees and TRUSTEE from and against any and all claims, liability, losses, costs and expenses, including, without limitation, third party claims and claims by any governmental agency (other than the STATE) relating to the past, present or future presence of known or unknown hazardous

materials located, or which may come to be located at, on, over, under, or flowing through the Public Trust Parcel, that may arise from this Agreement or the lands involved in this exchange.

F. No Admission or Effect if Agreement Not Made Effective.

In the event this Agreement does not become effective for any reason, nothing herein shall constitute, or be construed as, an admission by any Party or evidence concerning the boundaries, physical character, or character of title to or interest in the Subject Property.

G. No Effect on Other Lands.

The provisions of this Agreement do not constitute, nor are they to be construed as, an admission by any party or evidence concerning the boundaries, physical character, or character of title to or interest in any lands outside the Subject Property.

H. Impacts of Sea Level Rise.

The fee title boundaries established and conveyances made pursuant to this Agreement are intended to be fixed and not subject to change by erosion, accretion, reliction or submergence whether due to natural or artificial causes. However, should lands freed of the Public Trust become inundated from waters of or adjacent to Newport Bay, the Pacific Ocean or any other waters, whether due to either erosion or sea level rise that results in the land being submerged or subject to the ebb and flow of the tide below the elevation of mean high water, the lands for so long as such conditions exist will be subject to the Public Trust easement.

Nothing in this section is intended to limit (a) rights a Party may have under applicable law to take actions to preserve the boundaries established by this Agreement, including without limitation the rights of any Party to undertake measures to protect their respective properties, including lands freed from the Public Trust at the locations established pursuant to this Agreement, or to file an action within the applicable limitations period to preserve the title interests of such lands established by this Agreement, or (b) rights the public has under applicable law to navigate, fish or otherwise use navigable waters on inundated lands, including but not limited to any rights arising under *Bohn v. Albertson* (1951) 107 Cal.App.2d 738 and *People ex rel Baker v. Mack* (1971) 19 Cal.App.3d 1040.

Nothing in this Agreement obligates the STATE or the TRUSTEE to protect or cause to be protected any privately held uplands, including, but not limited to, constructing or causing to be constructed any protective structures that benefit any privately held uplands. Further, neither the TRUSTEE nor the STATE shall in any manner be liable to the owners of upland properties within the Subject Area for failure to provide protection against sea level rise.

I. **Exemptions.**

This Agreement and the conveyances provided herein are exempt from 1) the Subdivision Map Act pursuant to Government Code Section 66412(e), 2) the California Environmental Quality Act pursuant to Public Resources Code Section 21080.11, 3) the California Coastal Act pursuant to Public Resources Code Section 30416(c), and 4) the Property Acquisition Law pursuant to Government Code Section 15853(c).

J. **Binding Agreement.**

All the terms, provisions, and conditions of this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties.

K. **Modification.**

No modification, amendment, or alteration of this Agreement shall be valid unless in writing and signed by all of the Parties to this Agreement.

L. **No Effect on Other Government Jurisdiction.**

This Agreement does not exempt the Parties from the regulatory, environmental, land use or other jurisdiction of any federal, state, local, or other government entity.

M. **Headings.**

The title headings of the sections of this Agreement are inserted for convenience only and shall not be considered in construing this Agreement.

N. **Effective Date.**

This Agreement becomes effective only after recordation in the Office of the Recorder, County of Orange and the effective date shall be the date of the Governor's Signature.

O. **Allocation of Costs and Expenses.**

All expenses, fees, costs and expenses of any attorney, engineer or other person employed or retained by a party hereto in connection with the transaction underlying this Agreement shall be borne by that party, or as otherwise agreed to. The expenses and fees of escrow incurred by Escrow Agent, including those associated with recordation of this document and other documents necessary to effectuate this Agreement, shall be borne by the City.

P. **Title Insurance.**

The parties shall independently elect whether to obtain a policy of title insurance and shall each individually pay or cause to be paid the premiums and costs of any such title insurance policy for their respective interests.

IV. **Escrow**

- A. The parties designate and authorize Lawyers Title Insurance Company to act as the Escrow Agent for all purposes of this Agreement.

- B. As part of the escrow, the Parties shall submit additional, mutually agreeable escrow instructions as may be necessary so that the obligations of the Parties for the Close of Escrow under this Agreement conform.
- C. Deposits by the Parties:
1. The STATE shall deposit the following documents into escrow:
 - a. A certified copy of a Minute Item of a California State Lands Commission public hearing showing the Commission's approval of this Agreement and the Commission's authorization that the Agreement, Deeds, Lease and Certificates of Acceptance be executed on the State's behalf;
 - b. This Agreement, duly and properly executed by the STATE;
 - c. A quitclaim deed for the Trust Termination Parcel duly and properly executed by the STATE conveying the Trust Termination Parcel to the CITY;
 - d. Certificates of Acceptance for the lands described in Exhibits D and E duly and properly executed by the STATE;
 - e. Written approval of the condition of title for the Public Trust Parcel;
 - f. Duly and properly executed Lease, in the form substantially similar to Exhibit J.
 2. The CITY shall deposit the following documents into Escrow:
 - a. A certified copy of an official action of the City authorizing the execution of this Agreement, relinquishing of Trustee interest in the Trust Termination Parcel, relinquishing of interest in the Public Trust Parcel and acceptance of Lease form the STATE for the Public Trust Parcel;
 - b. Duly and properly executed Lease, in the form substantially similar to Exhibit J;
 - c. Duly and properly executed quitclaim deed in the form of that set forth in Exhibit G attached hereto conveying the Trust Termination Parcel to the STATE;
 - d. Duly and properly executed quitclaim deed in the form of that set forth in Exhibit H attached hereto conveying the Public Trust Parcel to the State;
 - e. This Agreement, duly and properly executed by the CITY;
 - f. Certificates of Acceptance for the lands described in Exhibit M duly and properly executed by the CITY;

D. Notification of Intention to Close Escrow

Upon receipt of all documents described in Paragraph C above, Escrow Agent shall notify the Parties of its intention to close escrow, to record the documents, along with any other necessary documents and shall set a date certain for such recordation and Closing.

E. Close of Escrow

1. At 8:00 a.m., or as early as possible on the date chosen for Closing, the Escrow Agency shall perform the following acts in the order set forth:
 - a. Record the duly and properly executed copy of this Agreement;
 - b. Record the duly and properly executed Deeds (and other recordable documents), with Certificates of Acceptance attached referred to in paragraphs 1.B., 1.C. and 1.D;
 - c. Issue any and all policies of title insurance requested by the Parties pursuant to paragraph 3.P., above;
 - d. Deliver copies of all documents as may have been deposited with the Escrow Agent to such Parties as may request them.
2. The term "Close of Escrow" and "Closing" shall mean the date and time of recording of the Deeds and Leases.
3. When all the documents have been recorded, the Escrow Agent is authorized and directed to deliver copies of the Agreement and Lease to the CITY and original Deeds to the grantees thereof and the original Agreement and Lease to the STATE.

V. Exhibits.

All preliminary recitals of and exhibits to this Agreement (Exhibits A through N) are hereby incorporated by reference. The exhibits to this Agreement are as follows:

- A. Exhibit A - Land Description of Subject Property
- B. Exhibit B - Plat of Subject Property
- C. Exhibit C - Land Description of Agreed Boundary Line
- D. Exhibit D - Land Description of Trust Termination Parcel
- E. Exhibit E - Land Description of Public Trust Parcel
- F. Exhibit F - Plat of Agreed Boundary Line, Public Trust Parcel and Trust Termination Parcel

- G. Exhibit G – Form of Quitclaim Deed (Conveyance by TRUSTEE to STATE of Trust Termination Parcel)
- H. Exhibit H - Form of Quitclaim Deed (Conveyance by CITY to STATE of Public Trust Parcels)
- I. Exhibit I - Form of Quitclaim Deed (Conveyance by STATE to CITY of Trust Termination Parcel)
- J. Exhibit J – Form of Lease (Lease of the Public Trust Parcels to TRUSTEE)
- K. Exhibit K – Form of Certificate of Acceptance and Consent to Record (Acceptance by STATE of the Trust Termination Parcel)
- L. Exhibit L - Form of Certificate of Acceptance and Consent to Record (Acceptance by STATE of the Public Trust Parcels)
- M. Exhibit M - Form of Acceptance by the CITY
- N. Exhibit N – Form of Legislation

VI. Notifications.

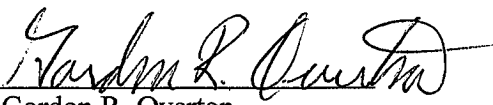
All notices required or permitted to be given to a Party hereto by the provisions of this Agreement shall be deemed to have been given forty-eight (48) hours after such notice is deposited with the United States Postal Service, as registered or certified mail with postage thereon fully prepaid, addressed to such party at its address set forth below, addressed as above provided all charges thereon fully prepaid. Any notice given in any other fashion shall be deemed to have been given when actually received by the addressee. Any Party may change its address by giving written notice to the other Party. The addresses of the Parties hereto are as follows:

California State Lands Commission
100 Howe Avenue, 100 South
Sacramento, CA 95825
Attn: Chief Counsel

City of Newport Beach
3300 Newport Blvd.
Newport Beach, CA 92663
Attn: City Attorney

Approved as to form:

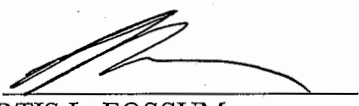
KAMALA D. HARRIS
Attorney General of the State of California

By: 
Gordon R. Overton
Deputy Attorney General

To witness this Agreement, a duly authorized officer of each party has executed it below on the date opposite each signature.

DATED: November 29, 2011

State of California
State Lands Commission

By: 
CURTIS L. FOSSUM
Executive Officer

ATTACH ACKNOWLEDGMENT of signature

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Sacramento

On Dec 29, 2011 before me, KIMBERLY L. LUNETTA, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Curtis L. Fossum
Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kimberly L. Lunetta
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document COAGULANT SETBACK & Land Exchange
AGREEMENT RE: CERTAIN LANDS IN THE VICINITY OF LOWER NEWPORT BAY.
Title or Type of Document: City of Newport Beach, CA.
Document Date: November 29, 2011 Number of Pages: 17 pgs + 53 pgs of exhibits

Signer(s) Other Than Named Above: Mandy

Capacity(ies) Claimed by Signer(s)

Signer's Name: Curtis L. Fossum

- ☒ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: EXECUTIVE OFFICER

Signer Is Representing: _____
On State Lands
Commission

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

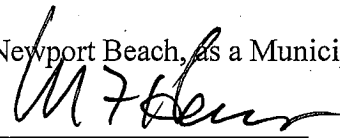
- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

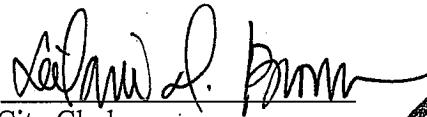
RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Dated: 11-18-11

City of Newport Beach, as a Municipality

By: 
Michael F. Henn, Mayor

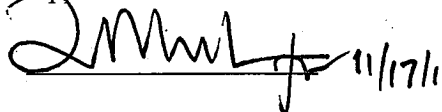
ATTEST:

By: 
City Clerk

ATTACH ACKNOWLEDGMENT of signature



Approved as to form:

 11/17/11

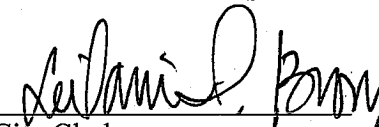
City Attorney
Newport Beach

Dated: 11-18-11

City of Newport Beach, as Trustee of State

By: 
Michael F. Henn, Mayor

ATTEST:

By: 
City Clerk

ATTACH ACKNOWLEDGMENT of signature



Approved as to form:

 11/17/11

City Attorney
Newport Beach

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Orange

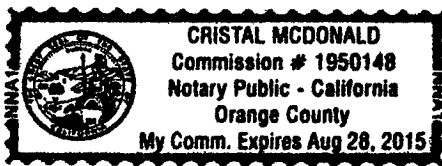
On November 16, 2011 before me, Cristal McDonald, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared Michael F. Henn

Name(s) of Signer(s)



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Cristal McDonald

Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Compromise Title Settlement + Land Exchange Agreement
Regarding Certain Lands in the Vicinity of Lower Newport Bay
City of Newport Beach, California

Document Date: _____

Number of Pages: 70

Signer(s) Other Than Named Above: Gordon R. Overton, Curtis L. Fossum, Edmund G. Brown Jr.

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

☐ Corporate Officer — Title(s): _____

☐ Corporate Officer — Title(s): _____

☐ Individual

☐ Individual

☐ Partner — ☐ Limited ☐ General

☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact

☐ Attorney in Fact

☐ Trustee

☐ Trustee

☐ Guardian or Conservator

☐ Guardian or Conservator

☐ Other: _____

☐ Other: _____

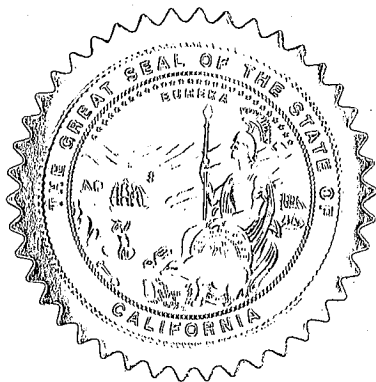
Signer Is Representing: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

In approval whereof, I, EDMUND G. BROWN, JR., Governor of the State of California, have set my hand and caused the seal of the State of California to be hereunto affixed pursuant to Section 6107 of the Public Resources Code of the State of California. Given under my hand at the City of Sacramento this 13th day of January, two thousand ~~eleven~~^{twelve}.



Edmund G. Brown, Jr.
EDMUND G. BROWN, JR.
Governor

Attest:

John Bowen
Secretary of State

EXHIBIT "A"
LAND DESCRIPTION
SUBJECT PROPERTY

SIX PARCELS OF LAND IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 1

A PARCEL OF FILLED TIDE AND SUBMERGED LAND BEING A PORTION OF "AN ACT RELATING TO TIDE AND SUBMERGED LANDS IN THE CITY OF NEWPORT BEACH" PER CHAPTER 74, STATUTES OF 1978, BOUNDED ON THE NORTH BY UNITED STATES GOVERNMENT BULKHEAD LINE AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT, BOUNDED ON THE EAST BY THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET, BOUNDED ON THE SOUTH BY THE ORDINARY HIGH WATER MARK OF NEWPORT BAY, BOUNDED ON THE WEST BY THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET.

PARCEL 2

A PARCEL OF LAND AS DESCRIBED IN CERTAIN CORPORATION GRANT DEED FROM PACIFIC ELECTRIC LAND COMPANY TO CITY OF NEWPORT BEACH RECORDED SEPTEMBER 22, 1919 IN BOOK 342, PAGE 329 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

PARCEL 3

A PARCEL OF LAND AS DESCRIBED IN CERTAIN CORPORATION GRANT DEED FROM SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA TO CITY OF NEWPORT BEACH RECORDED FEBRUARY 16, 1955 IN BOOK 2961, PAGE 294 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

PARCEL 4

A PARCEL OF LAND AS DESCRIBED IN CERTAIN CORPORATION GRANT DEED FROM PACIFIC ELECTRIC LAND COMPANY TO CITY OF NEWPORT BEACH RECORDED JULY 5, 1956 IN BOOK 3566, PAGE 147 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

PARCEL 5

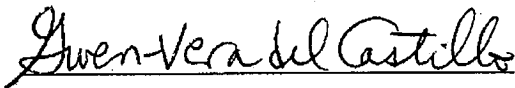
A PARCEL OF LAND AS DESCRIBED IN CERTAIN CORPORATION GRANT DEED FROM PACIFIC ELECTRIC RAILWAY COMPANY TO CITY OF NEWPORT BEACH RECORDED JULY 5, 1956 IN BOOK 3566, PAGE 153 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

PARCEL 6

A PARCEL OF LAND AS DESCRIBED IN RESOLUTION ORDERING VACATION PER RESOLUTION 4532, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY.

END OF DESCRIPTION

DATED THIS 23RD DAY OF SEPTEMBER, 2011.



GWEN-VERA DEL CASTILLO, PLS 5108



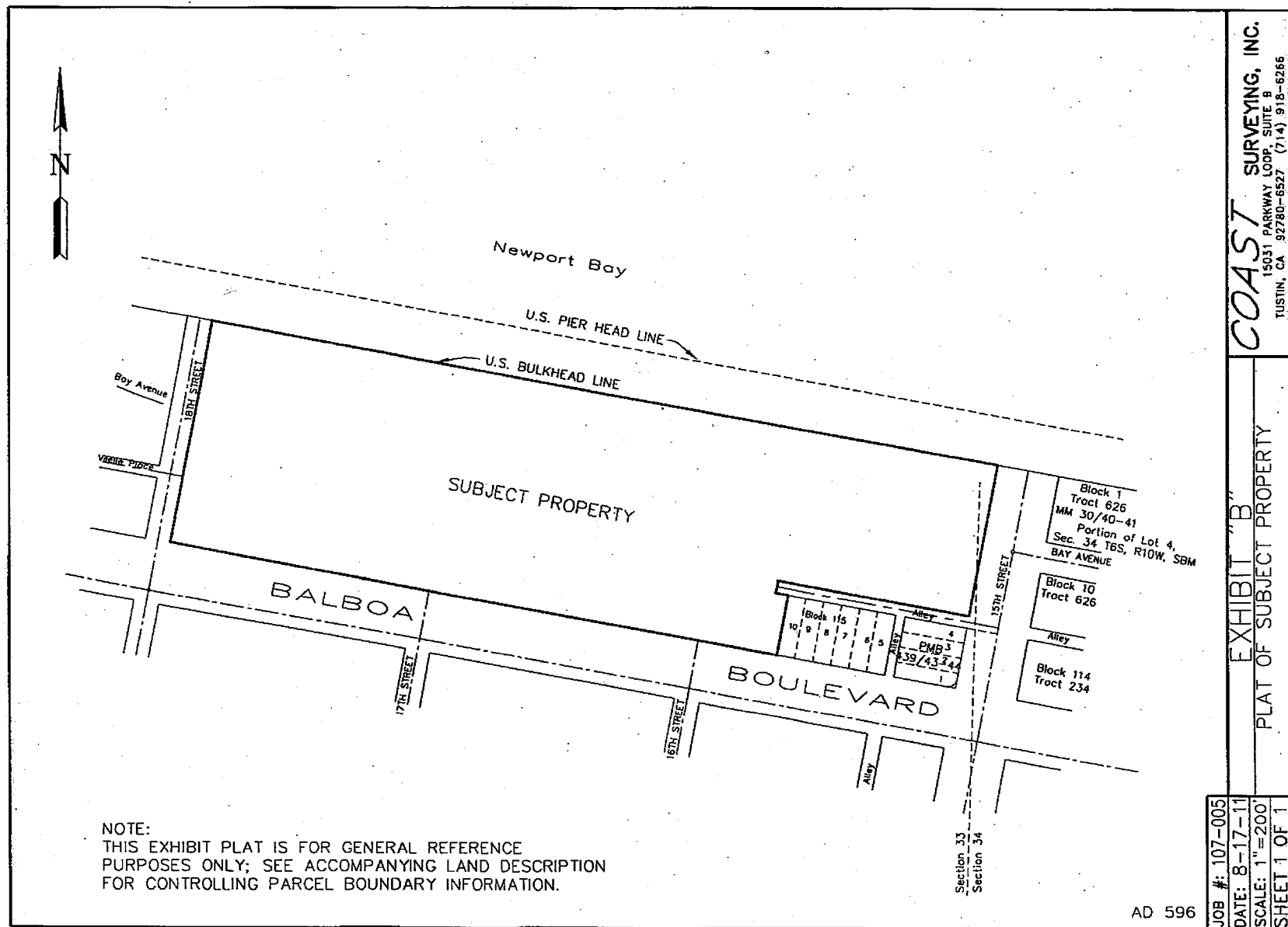


EXHIBIT "C"
LAND DESCRIPTION
AGREED BOUNDARY LINE

AN AGREED BOUNDARY LINE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE CENTERLINE OF 15TH STREET (100 FEET WIDE) AND THE UNITED STATES GOVERNMENT BULKHEAD LINE BETWEEN STATION NUMBER 118 AND STATION NUMBER 119, AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT; THENCE ALONG SAID U.S. BULKHEAD LINE NORTH 79°22'11" WEST 50.00 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF 15TH STREET; THENCE ALONG SAID NORTHWESTERLY RIGHT OF WAY LINE SOUTH 10°40'10" WEST 109.82 FEET TO A POINT WHICH IS NORTH 10°40'10" EAST 160.00 FEET ALONG SAID LINE FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF TRACT NO. 234 AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING THE POINT OF BEGINNING; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE NORTH 79°20'30" WEST 165.12 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE CITY OF NEWPORT BEACH RESOLUTION NO. 4532, RESOLUTION ORDERING VACATION, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE EASTERLY LINE OF THE LAND DESCRIBED IN SAID RESOLUTION SOUTH 10°39'12" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID NORTHERLY LINE SOUTH 79°20'30" EAST 20.00 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 115 OF SAID TRACT NO. 234; THENCE ALONG THE WESTERLY LINE OF SAID LOT 10 SOUTH 10°39'12" WEST 99.79 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°19'20" WEST 128.80 FEET TO THE CENTERLINE OF 16TH STREET (40 FEET WIDE, PORTION NOW ABANDONED); THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG

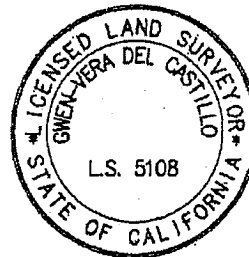
SAID CURVE THROUGH A CENTRAL ANGLE OF 11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°22'58" WEST 225.76 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE).

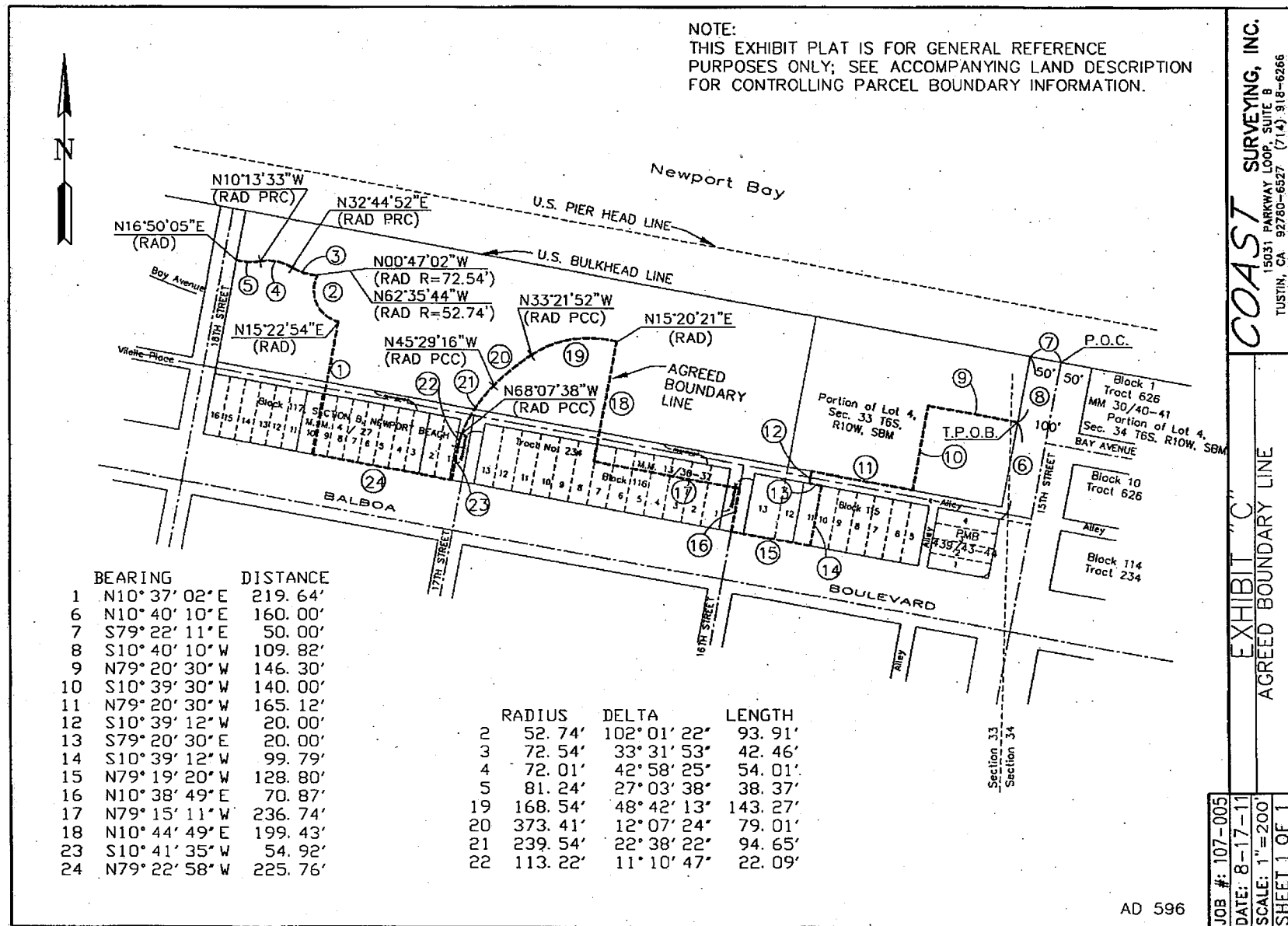
END OF DESCRIPTION

DATED THIS 23RD DAY OF SEPTEMBER, 2011.

Gwen-Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108





COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

EXHIBIT "C"
AGREED BOUNDARY LINE

JOB #: 107-005
DATE: 8-17-11
SCALE: 1"=200'
SHEET 1 OF 1

EXHIBIT "D"
LAND DESCRIPTION
TRUST TERMINATION PARCELS

THREE PARCELS OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF LOT 16 OF BLOCK 117, SECTION B, NEWPORT BEACH AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 27 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 117, ALSO BEING THE NORTHEASTERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) SOUTH 79°22'58" EAST 178.20 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE SOUTH 10°36'36" WEST 287.10 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.124 ACRES, MORE OR LESS.

PARCEL 2

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF 16TH STREET (40 FEET WIDE, NOW ABANDONED) AND THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) AS SHOWN ON TRACT NUMBER 234 AS SHOWN ON A MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE

OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE THE FOLLOWING TWO COURSES:

1. SOUTH 79°22'58" EAST 16.13 FEET;
2. SOUTH 79°23'02" EAST 440.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.499 ACRES, MORE OR LESS.

PARCEL 3

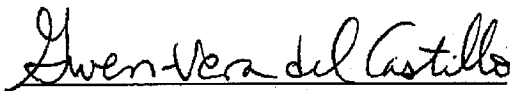
BEGINNING AT A POINT ON THE NORTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET, AS SHOWN ON A MAP OF TRACT 234, AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING NORTH 10°40'10" EAST 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF SAID TRACT NO. 234; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE SOUTH 79°20'30" EAST 146.27 FEET TO SAID WESTERLY RIGHT OF WAY LINE OF 15TH STREET; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE NORTH 10°40'10" EAST 140.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.470 ACRES, MORE OR LESS.

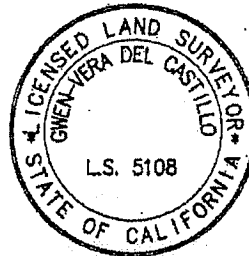
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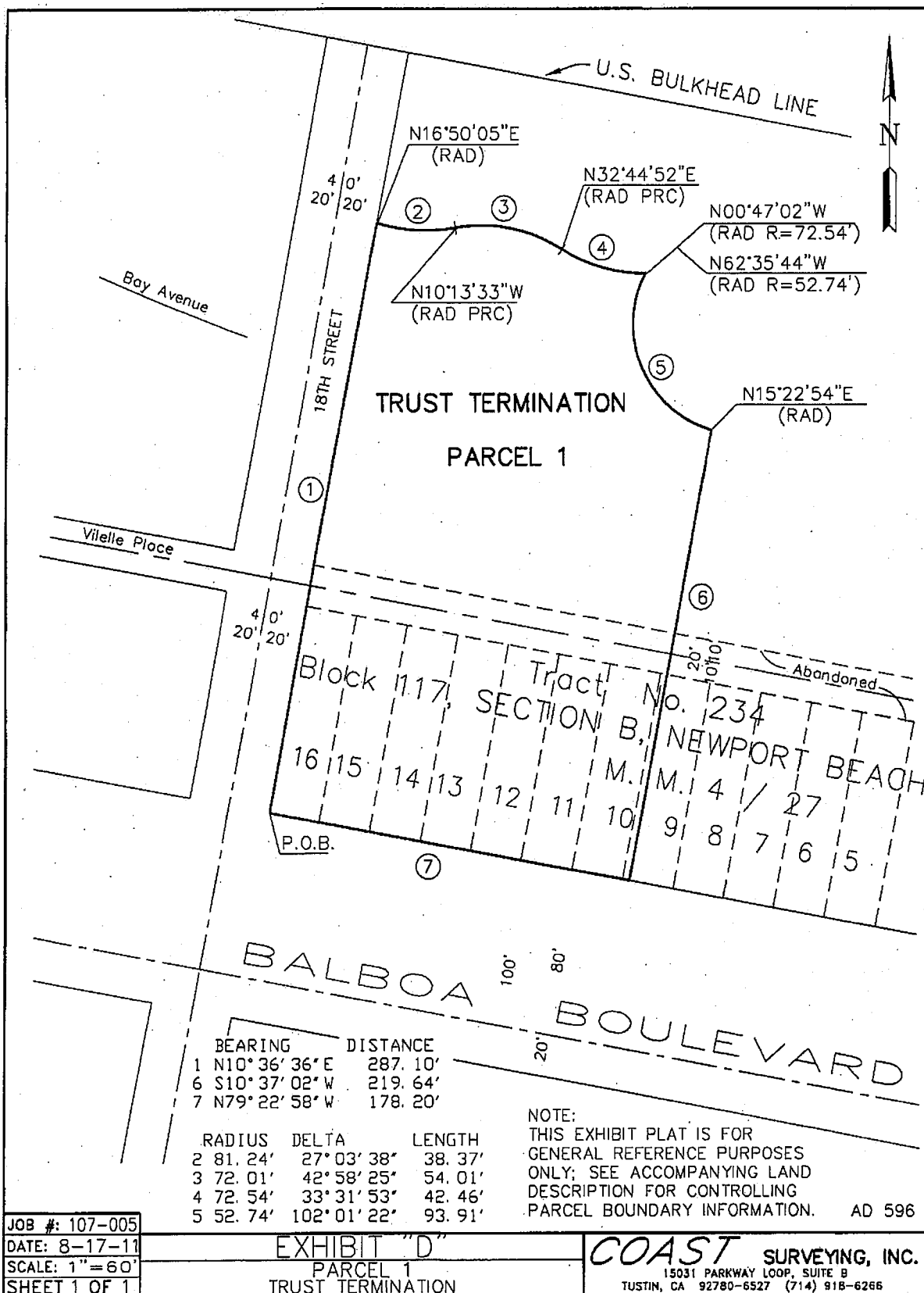
EXHIBIT PLATS 1 - 3

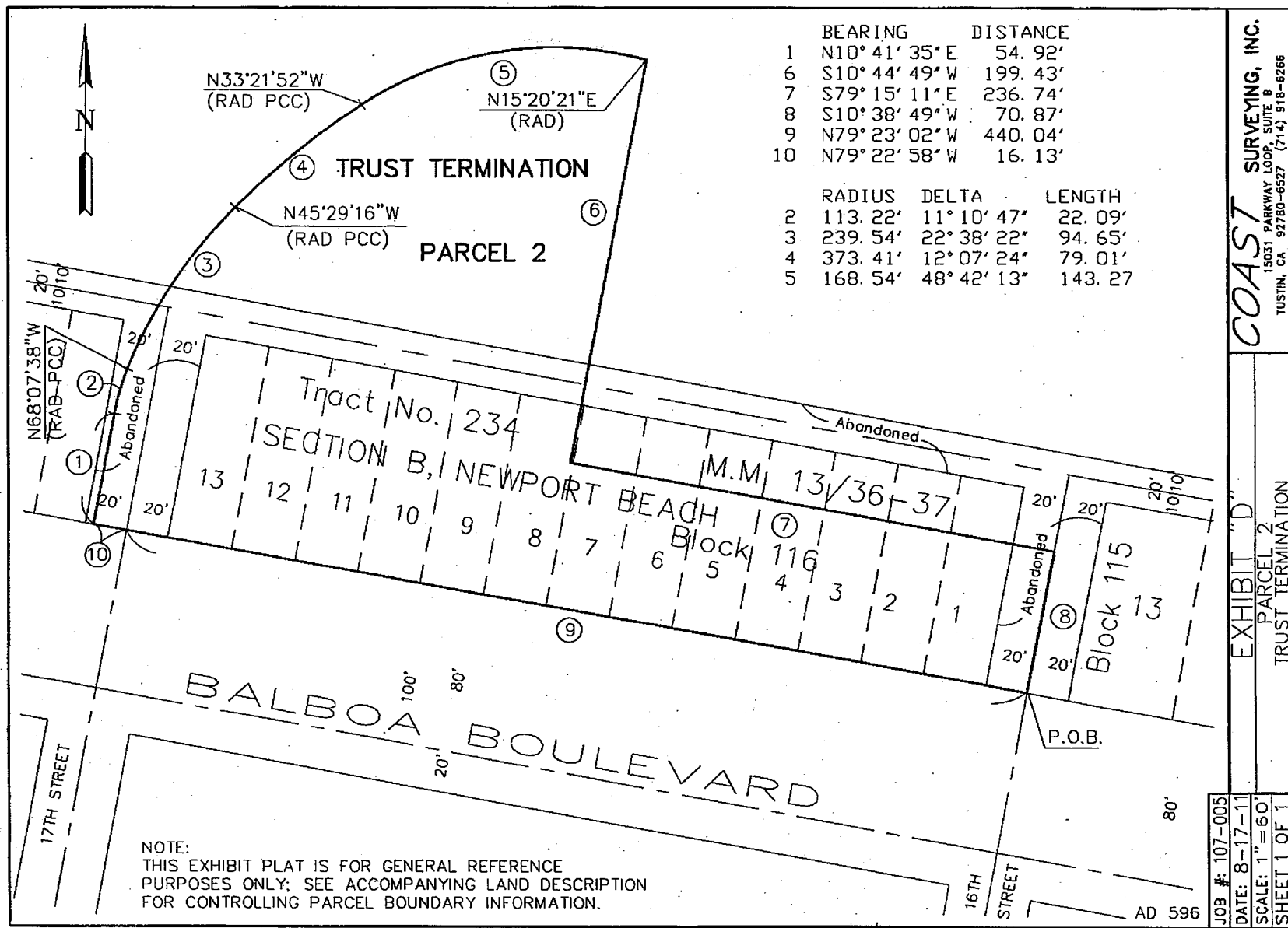
DATED THIS 23RD DAY OF SEPTEMBER, 2011.



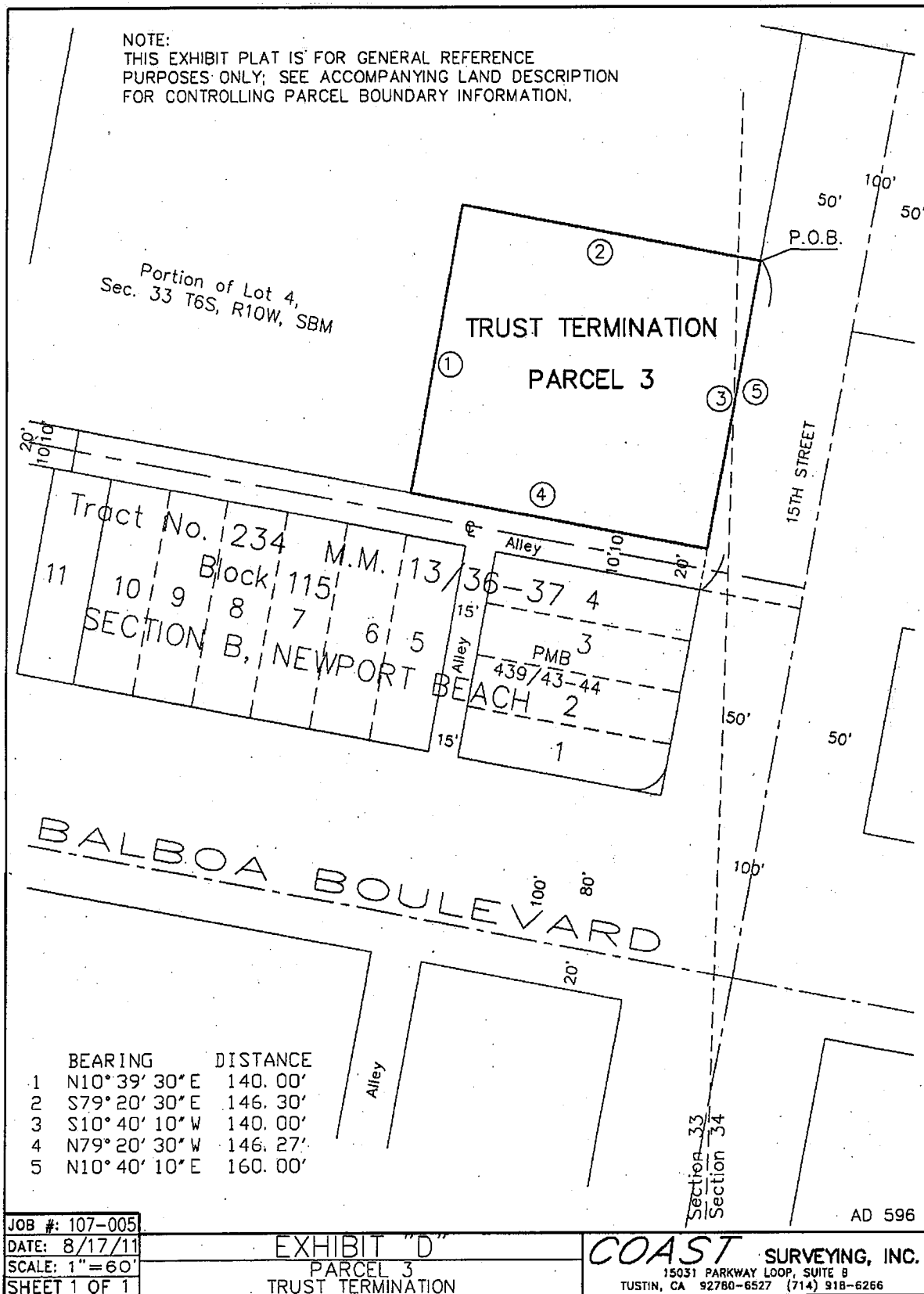
GWEN-VERA DEL CASTILLO, PLS 5108







NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.



JOB #: 107-005

DATE: 8/17/11

SCALE: 1"=60'

SHEET 1 OF 1

EXHIBIT "D"

PARCEL 3
TRUST TERMINATION

COAST SURVEYING, INC.

15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

EXHIBIT "E"
LAND DESCRIPTION
PUBLIC TRUST PARCEL

A PARCEL OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET (100 FEET WIDE) AND THE UNITED STATES GOVERNMENT BULKHEAD LINE BETWEEN STATION NUMBER 118 AND STATION NUMBER 119, AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE SOUTH 10°40'10" WEST 109.82 FEET TO A POINT WHICH IS 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF TRACT NO. 234 AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE NORTH 79°20'30" WEST 165.12 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE CITY OF NEWPORT BEACH RESOLUTION NO. 4532, RESOLUTION ORDERING VACATION, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE EASTERLY LINE OF SAID LAND DESCRIBED IN SAID DEED SOUTH 10°39'12" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID NORTHERLY LINE SOUTH 79°20'30" EAST 20.00 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 115 OF SAID TRACT NO. 234; THENCE ALONG THE WESTERLY LINE OF SAID LOT 10 SOUTH 10°39'12" WEST 99.79 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°19'20" WEST 128.80 FEET TO THE CENTERLINE OF 16TH STREET (40 FEET WIDE, PORTION NOW ABANDONED); THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF

11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°22'58" WEST 225.76 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE NORTH 10°36'36" EAST 82.47 FEET TO SAID U.S. BULKHEAD LINE; THENCE ALONG SAID BULKHEAD LINE SOUTH 79°22'11" EAST 1280.68 FEET TO THE POINT OF BEGINNING.

CONTAINING 6.958 ACRES, MORE OR LESS.

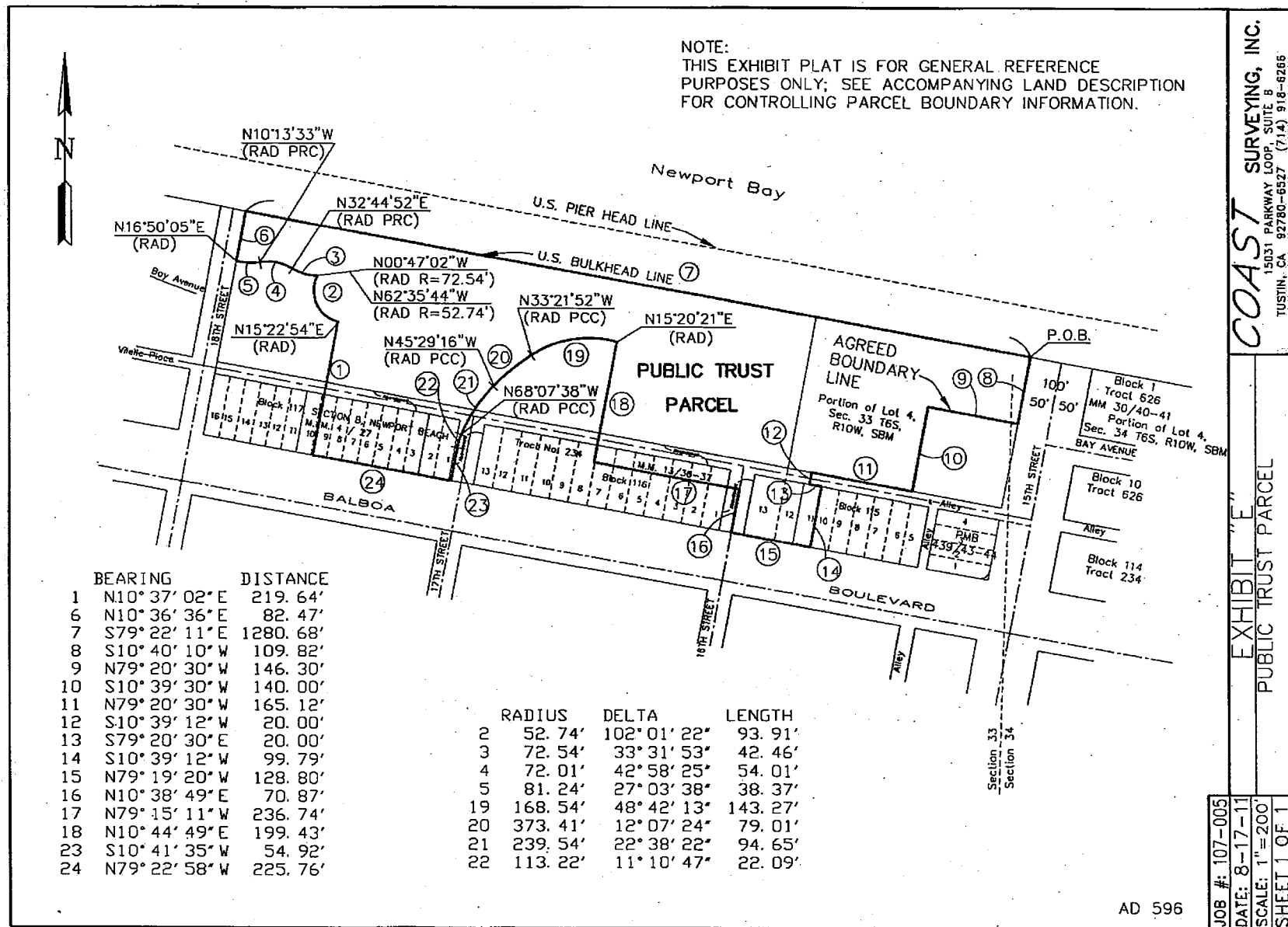
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DATED THIS 23RD DAY OF SEPTEMBER, 2011.

Gwen Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108

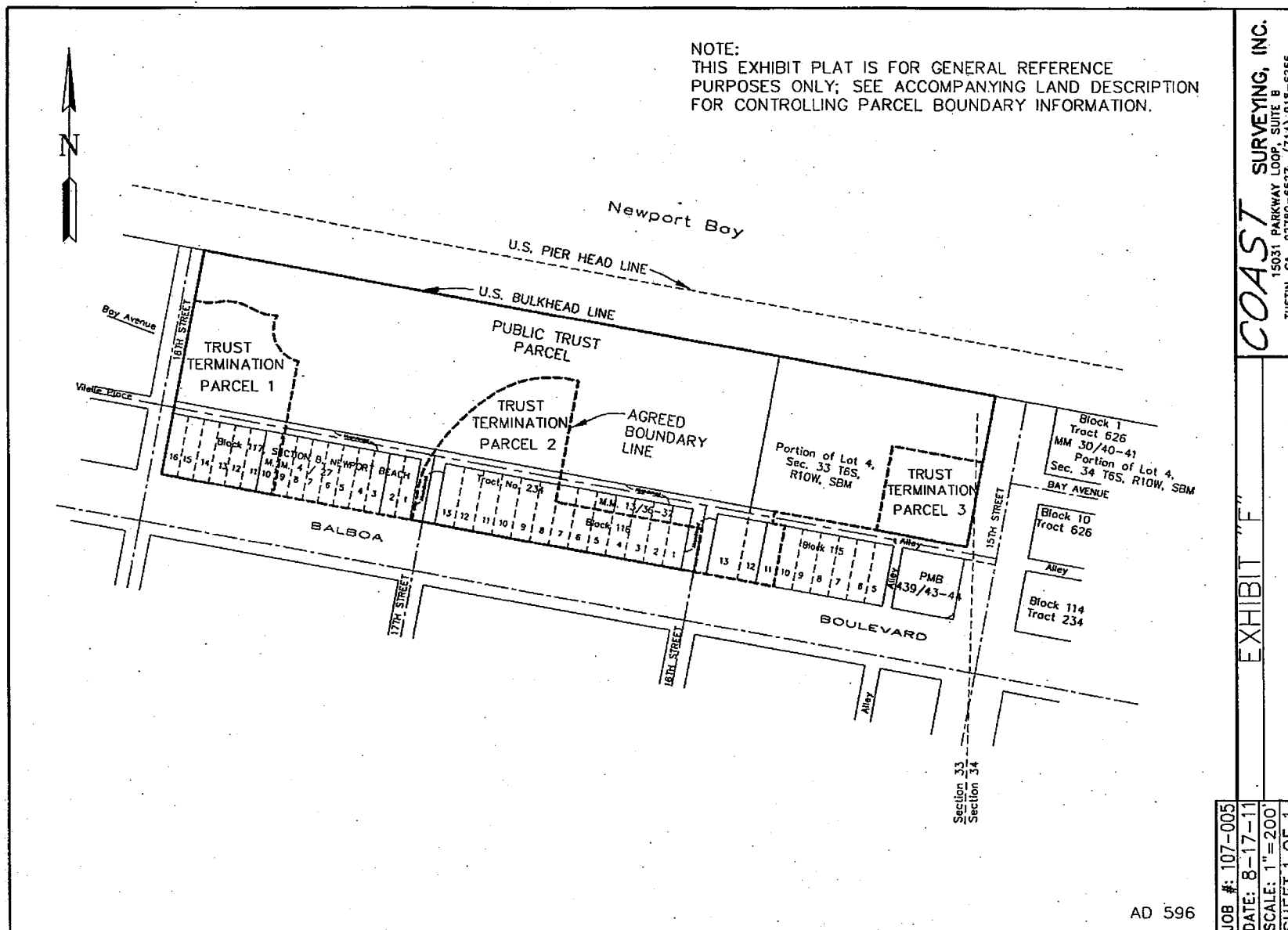




COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6265

EXHIBIT "E"
PUBLIC TRUST PARCEL

JOB #: 107-005
DATE: 8-17-11
SCALE: 1"=200'
SHEET 1 OF 1



**EXHIBIT G
FORM OF QUITCLAIM DEED**

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

**STATE OF CALIFORNIA
OFFICIAL BUSINESS**

Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.
S.L.C. AD596/G09-02.10

**CITY OF NEWPORT BEACH
QUITCLAIM DEED**

WHEREAS, the State Lands Commission, at its public meeting in Sacramento, California on September 1, 2011 approved Calendar Item No.73, which authorized the Compromise Title Settlement and Land Exchange Agreement Regarding Certain Lands in the Vicinity of Lower Newport Bay, City of Newport Beach, California ("Agreement") between the City of Newport Beach, a municipality, the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, as amended, and the State of California ("State"), acting by and through the State Lands Commission, pursuant to Public Resources Code section 6307; and

WHEREAS, pursuant to the Agreement, the City of Newport Beach, a trustee, must convey all its right, title, and interest in the Trust Termination Parcel to the State of California, acting by and through the State Lands Commission, as more particularly described in Exhibit A, attached hereto; and

WHEREAS, it is the intent of the State, acting by and through the State Lands Commission, to accept all right, title, and interest in the Trust Termination Parcel.

Now, THEREFORE,

The City of Newport Beach, a trustee, does hereby REMISE, RELEASE, and FOREVER quitclaim to the State, acting by and through the State Lands Commission, all its right, title, and interest in the Trust Termination Parcel, as described in Exhibit 1.

This quitclaim deed is executed by and on behalf of the CITY OF NEWPORT BEACH, a trustee, acting pursuant to law, by its duly authorized undersigned officer.

CITY OF NEWPORT BEACH,
A Municipal Corporation

Dated:

By: _____
Dave Kiff
City Manager

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Leonie Mulvihill
Assistant City Attorney

ATTEST:

By: _____
Leilani I. Brown
City Clerk

ACKNOWLEDGMENT OF SIGNATURE TO BE ATTACHED

EXHIBIT 1
LAND DESCRIPTION
TRUST TERMINATION PARCELS

THREE PARCELS OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF LOT 16 OF BLOCK 117, SECTION B, NEWPORT BEACH AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 27 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 117, ALSO BEING THE NORTHEASTERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) SOUTH 79°22'58" EAST 178.20 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE SOUTH 10°36'36" WEST 287.10 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.124 ACRES, MORE OR LESS.

PARCEL 2

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF 16TH STREET (40 FEET WIDE, NOW ABANDONED) AND THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) AS SHOWN ON TRACT NUMBER 234 AS SHOWN ON A MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 68°07'38" WEST;

THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE THE FOLLOWING TWO COURSES:

1. SOUTH 79°22'58" EAST 16.13 FEET;
2. SOUTH 79°23'02" EAST 440.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.499 ACRES, MORE OR LESS.

PARCEL 3

BEGINNING AT A POINT ON THE NORTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET, AS SHOWN ON A MAP OF TRACT 234, AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING NORTH 10°40'10" EAST 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF SAID TRACT NO. 234; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE SOUTH 79°20'30" EAST 146.27 FEET TO SAID WESTERLY RIGHT OF WAY LINE OF 15TH STREET; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE NORTH 10°40'10" EAST 140.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.470 ACRES, MORE OR LESS.

END OF DESCRIPTION

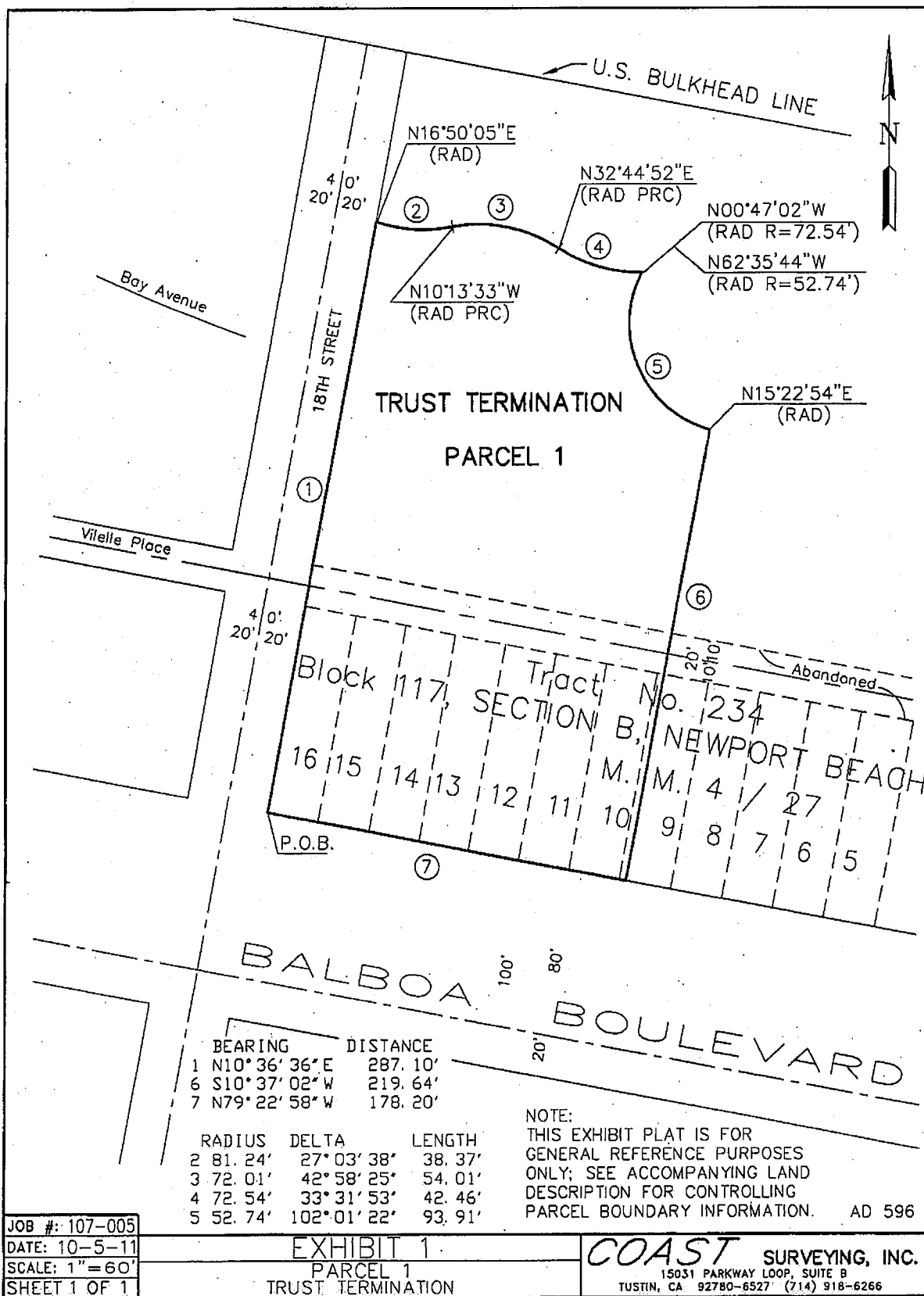
EXHIBIT PLATS 1 - 3

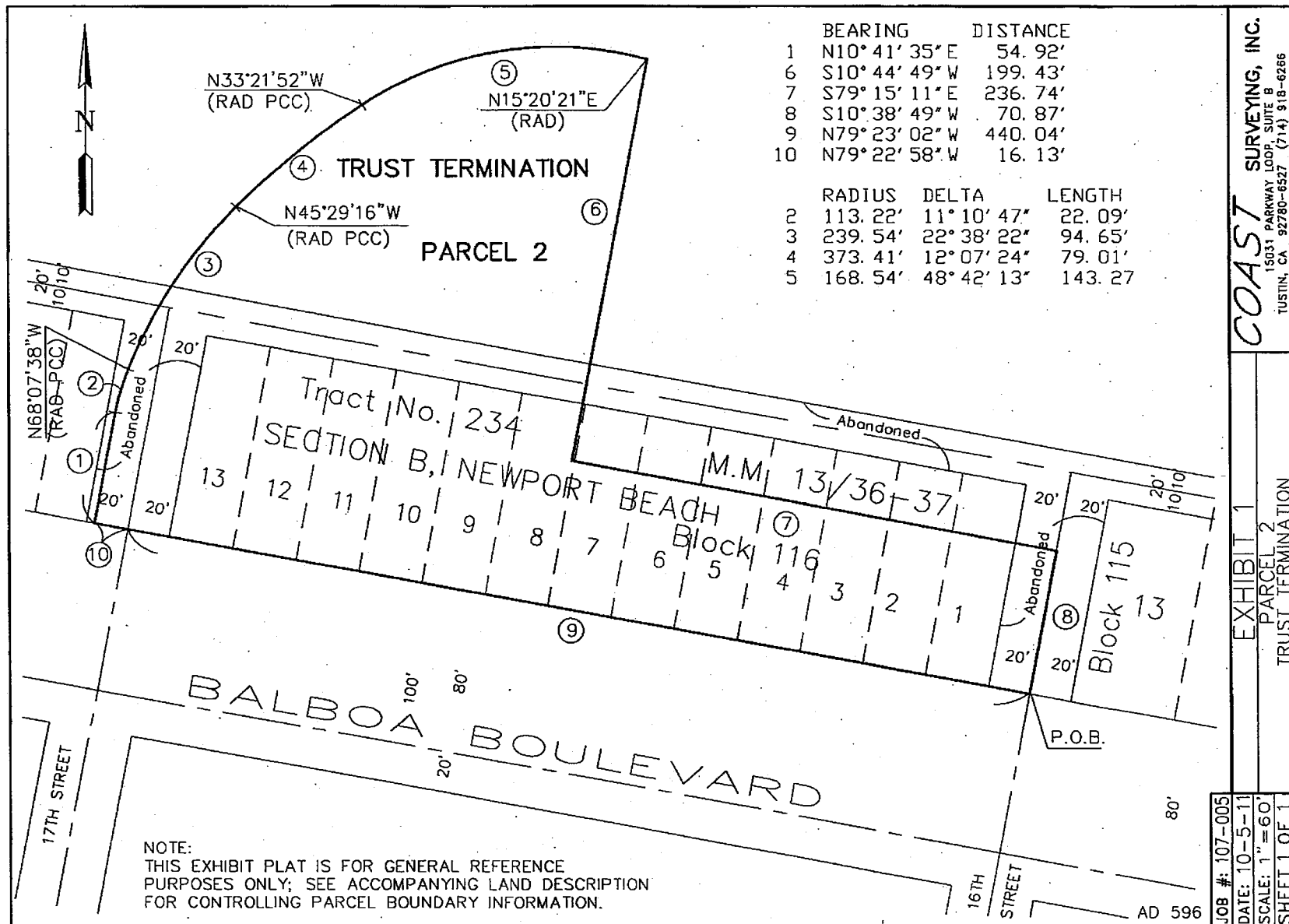
DATED THIS 5TH DAY OF OCTOBER, 2011.

Gwen Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108







NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.

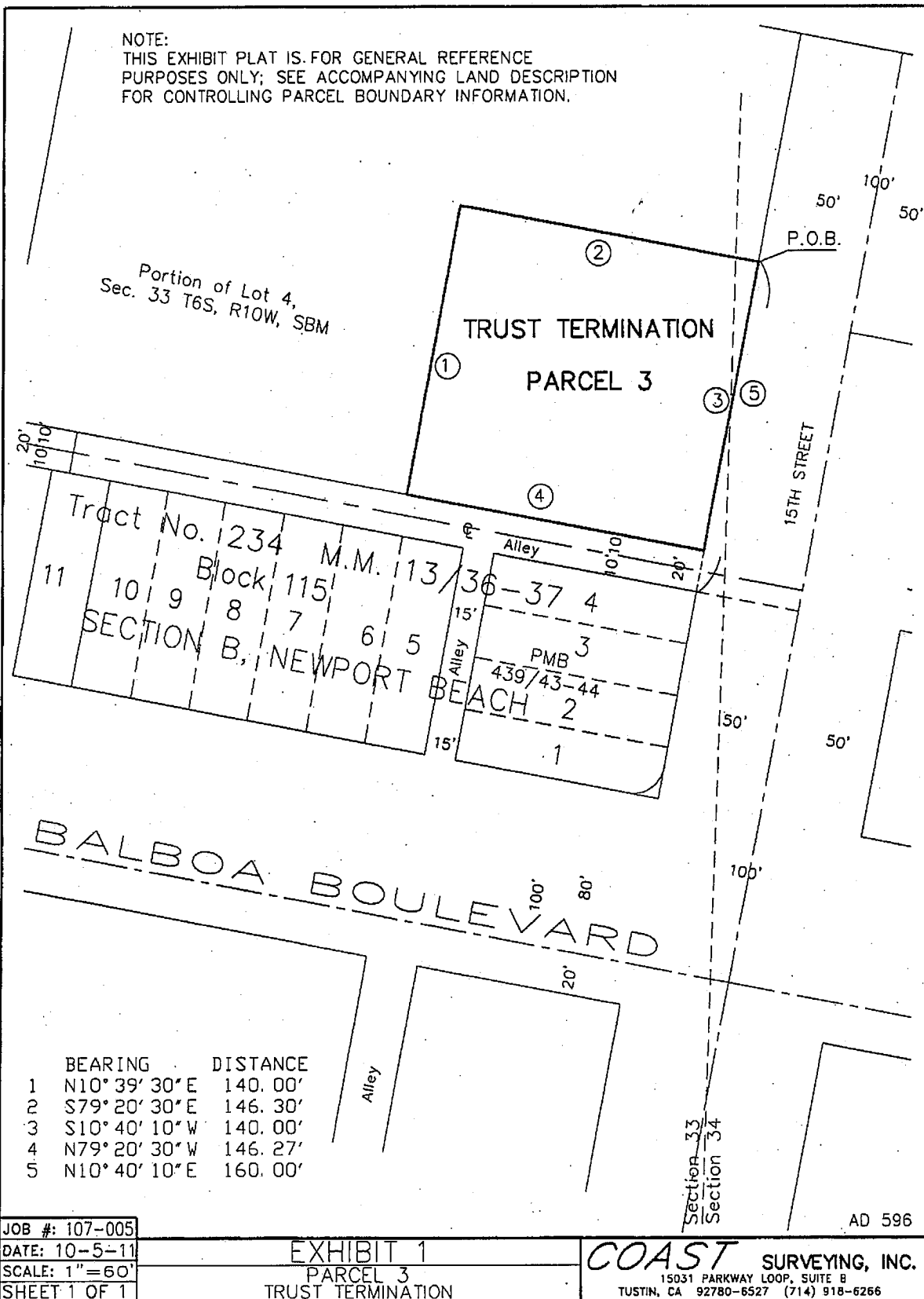


EXHIBIT H
FORM OF QUITCLAIM DEED

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

STATE OF CALIFORNIA
OFFICIAL BUSINESS
Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.
S.L.C. AD596/G09-02.10

CITY OF NEWPORT BEACH
QUITCLAIM DEED

WHEREAS, the State Lands Commission, at its public meeting in Sacramento, California on September 1, 2011 approved Calendar Item No. 73, which authorized the Compromise Title Settlement and Land Exchange Agreement Regarding Certain Lands in the Vicinity of Lower Newport Bay, City of Newport Beach, California ("Agreement") between the City of Newport Beach, a municipality, the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, as amended, and the State of California ("State"), acting by and through the State Lands Commission, pursuant to Public Resources Code section 6307; and

WHEREAS, pursuant to the Agreement, the City of Newport Beach, a municipality, must convey all its right, title, and interest in the Public Trust Parcel to the State of California, acting by and through the State Lands Commission, as more particularly described in Exhibit 1, attached hereto; and

WHEREAS, it is the intent of the State, acting by and through the State Lands Commission, to accept all right, title, and interest in the Public Trust Parcel as sovereign land, impressed with all incidents of sovereignty including the Public Trust for commerce, navigation, and fishing.

Now, THEREFORE,

The City of Newport Beach, a municipality, does hereby REMISE, RELEASE, and FOREVER quitclaim to the State, acting by and through the State Lands Commission, all its right, title, and interest in the Public Trust Parcel, as described in Exhibit 1.

This quitclaim deed is executed by and on behalf of the CITY OF NEWPORT BEACH, acting pursuant to law, by its duly authorized undersigned officer.

CITY OF NEWPORT BEACH,
A Municipal Corporation

Dated:

By: _____
Dave Kiff
City Manager

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

By: _____
Leonie Mulvihill
Assistant City Attorney

ATTEST:

By: _____
Leilani I. Brown
City Clerk

ACKNOWLEDGMENT OF SIGNATURE TO BE ATTACHED

EXHIBIT 1
LAND DESCRIPTION
PUBLIC TRUST PARCEL

A PARCEL OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET (100 FEET WIDE) AND THE UNITED STATES GOVERNMENT BULKHEAD LINE BETWEEN STATION NUMBER 118 AND STATION NUMBER 119, AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE SOUTH 10°40'10" WEST 109.82 FEET TO A POINT WHICH IS 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF TRACT NO. 234 AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE NORTH 79°20'30" WEST 165.12 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE CITY OF NEWPORT BEACH RESOLUTION NO. 4532, RESOLUTION ORDERING VACATION, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE EASTERLY LINE OF SAID LAND DESCRIBED IN SAID DEED SOUTH 10°39'12" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID NORTHERLY LINE SOUTH 79°20'30" EAST 20.00 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 115 OF SAID TRACT NO. 234; THENCE ALONG THE WESTERLY LINE OF SAID LOT 10 SOUTH 10°39'12" WEST 99.79 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°19'20" WEST 128.80 FEET TO THE CENTERLINE OF 16TH STREET (40 FEET WIDE, PORTION NOW ABANDONED); THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF

11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°22'58" WEST 225.76 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE NORTH 10°36'36" EAST 82.47 FEET TO SAID U.S. BULKHEAD LINE; THENCE ALONG SAID BULKHEAD LINE SOUTH 79°22'11" EAST 1280.68 FEET TO THE POINT OF BEGINNING.

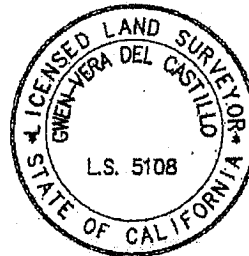
CONTAINING 6.958 ACRES, MORE OR LESS.

END OF DESCRIPTION

DATED THIS 5TH DAY OF OCTOBER, 2011.

Gwen Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108



**EXHIBIT I
FORM OF QUITCLAIM DEED**

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

**STATE OF CALIFORNIA
OFFICIAL BUSINESS**
Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.
S.L.C. AD596/G09-02.10

**STATE OF CALIFORNIA
QUITCLAIM DEED**

WHEREAS, the State Lands Commission, at its public meeting in Sacramento, California on September 1, 2011 approved Calendar Item No. 73, which authorized the Compromise Title Settlement and Land Exchange Agreement Regarding Certain Lands in the Vicinity of Lower Newport Bay, City of Newport Beach, California ("Agreement") between the City of Newport Beach, a municipality, the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, as amended, and the State of California ("State"), acting by and through the State Lands Commission, pursuant to Public Resources Code section 6307; and

WHEREAS, pursuant to the Agreement, the City of Newport Beach, a trustee, remised, released, and forever quitclaimed to the State, acting by and through the State Lands Commission, all the right, title, and interest in the Trust Termination Parcel, as more particularly described in Exhibit 1 attached hereto; and

WHEREAS, the State, acting by and through the State Lands Commission, has accepted the Trust Termination Parcel; and

WHEREAS, it is the intent of the State, acting by and through the State Lands Commission, to convey to the City of Newport Beach, a municipality, all right, title, and interest in the Trust Termination Parcel, as proprietary land, free of all incidents of sovereignty including the Public Trust for commerce, navigation, and fishing.

Now, THEREFORE,

The State, acting by and through the State Lands Commission, does hereby REMISE, RELEASE, and FOREVER quitclaim to the City of Newport Beach, a municipality, all its sovereign right, title, and interest in the Trust Termination Parcel as described in Exhibit 1. This quitclaim is intended to and does terminate any public trust interests of the State in the Trust Termination Parcel.

[Remainder of page intentionally left blank]

IN APPROVAL WHEREOF, I, _____, Governor of the State of California, have set my hand and caused the seal of the State of California to be hereunto affixed pursuant to Section 6107 of the Public Resources Code of the State of California. Given under my hand at the City of Sacramento this ____ day of _____, two thousand ____.

EDMUND G. BROWN JR.
Governor
State of California

Attest: _____
DEBRA BOWEN
Secretary of State

Countersigned: _____
CURTIS L. FOSSUM
EXECUTIVE OFFICER
CALIFORNIA STATE LANDS
COMMISSION

EXHIBIT 1
LAND DESCRIPTION
TRUST TERMINATION PARCELS

THREE PARCELS OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF LOT 16 OF BLOCK 117, SECTION B, NEWPORT BEACH AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 27 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 117, ALSO BEING THE NORTHEASTERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) SOUTH 79°22'58" EAST 178.20 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE SOUTH 10°36'36" WEST 287.10 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.124 ACRES, MORE OR LESS.

PARCEL 2

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF 16TH STREET (40 FEET WIDE, NOW ABANDONED) AND THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) AS SHOWN ON TRACT NUMBER 234 AS SHOWN ON A MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 68°07'38" WEST;

THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE THE FOLLOWING TWO COURSES:

1. SOUTH 79°22'58" EAST 16.13 FEET;
2. SOUTH 79°23'02" EAST 440.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.499 ACRES, MORE OR LESS.

PARCEL 3

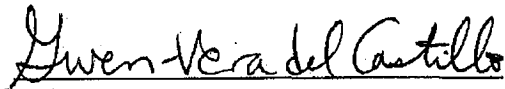
BEGINNING AT A POINT ON THE NORTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET, AS SHOWN ON A MAP OF TRACT 234, AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING NORTH 10°40'10" EAST 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF SAID TRACT NO. 234; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE SOUTH 79°20'30" EAST 146.27 FEET TO SAID WESTERLY RIGHT OF WAY LINE OF 15TH STREET; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE NORTH 10°40'10" EAST 140.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.470 ACRES, MORE OR LESS.

END OF DESCRIPTION

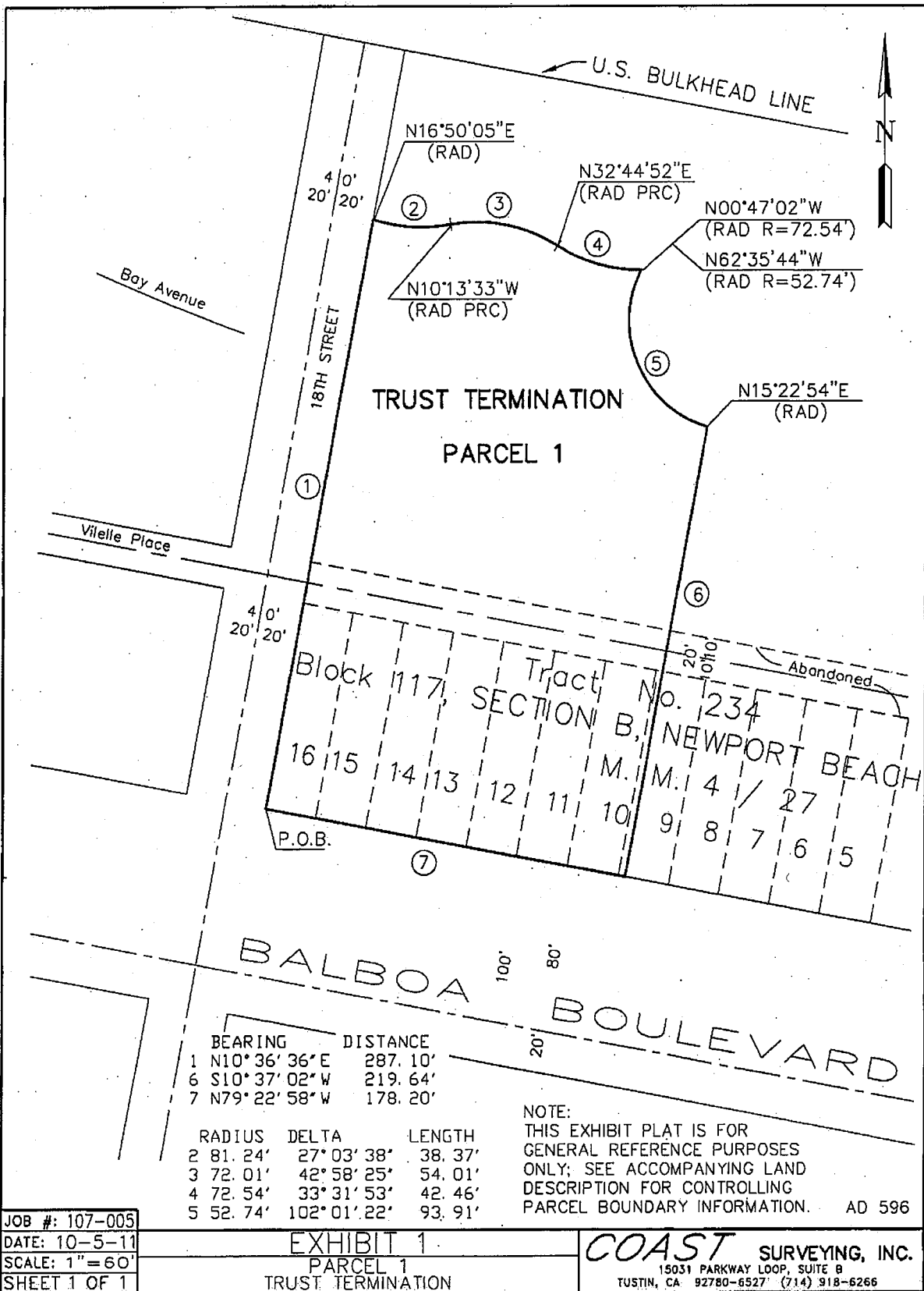
EXHIBIT PLATS 1 - 3

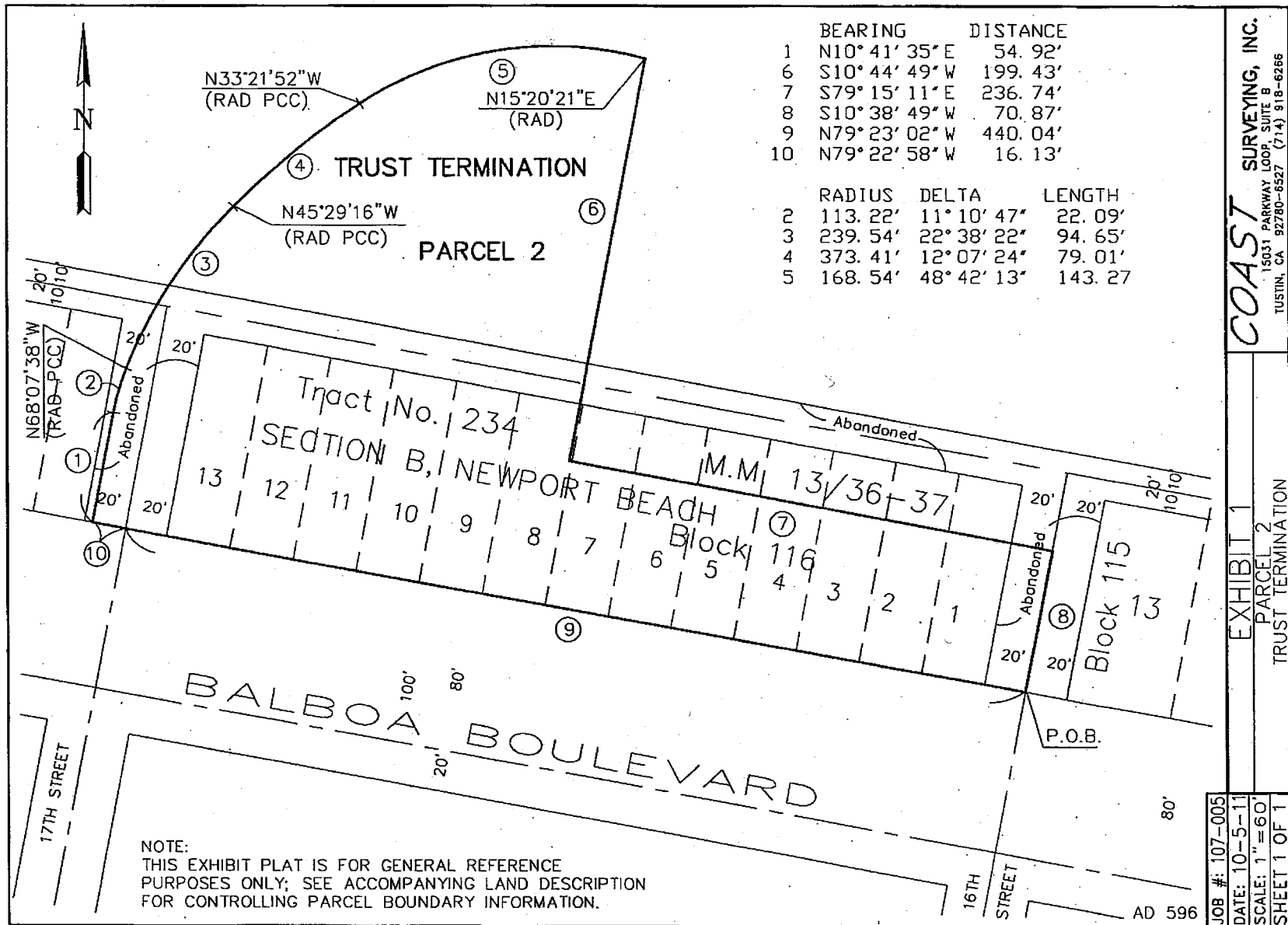
DATED THIS 5TH DAY OF OCTOBER, 2011.



GWEN-VERA DEL CASTILLO, PLS 5108





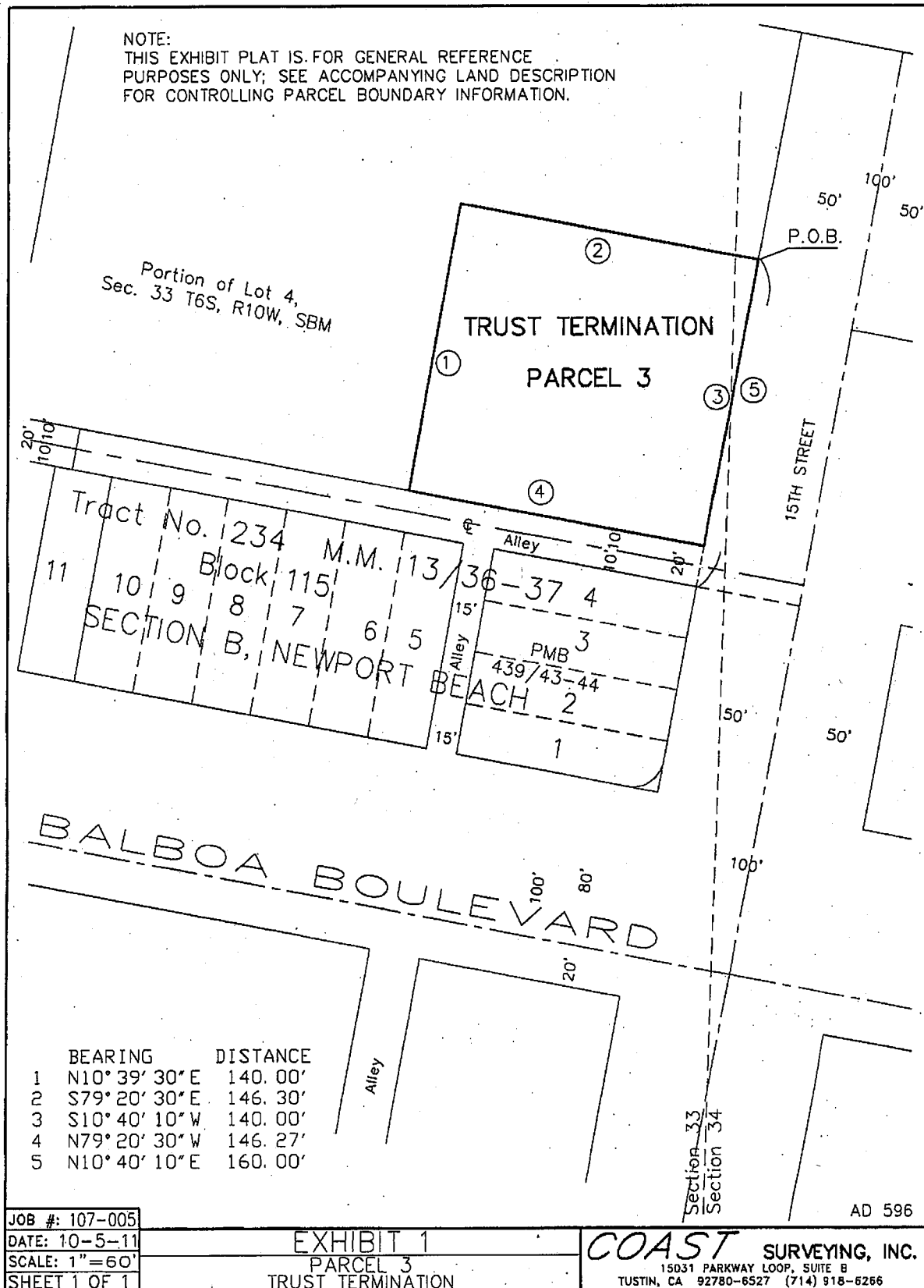


COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

EXHIBIT 1
PARCEL 2
TRUST TERMINATION

JOB #: 107-005
DATE: 10-5-11
SCALE: 1"=60'
SHEET 1 OF 1

NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.



JOB #: 107-005

DATE: 10-5-11

SCALE: 1"=60'

SHEET 1 OF 1

EXHIBIT 1

PARCEL 3
TRUST TERMINATION

COAST SURVEYING, INC.

15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA

California State Lands Commission

Attn: Title Unit

100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

STATE OF CALIFORNIA
OFFICIAL BUSINESS

Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR

RECORDER'S USE

A.P.N.

County: Orange

W 26334

EXHIBIT J

LEASE PRC 8946.9

This Lease consists of this summary and the following attached and incorporated parts:

Section 1	Basic Provisions
Section 2	Special Provisions Amending or Supplementing Section 1 or 4
Section 3	Description of Lease Premises
Section 4	General Provisions
Exhibit A	Site and Location Map

SECTION 1

BASIC PROVISIONS

THE STATE OF CALIFORNIA, hereinafter referred to as Lessor acting by and through the **CALIFORNIA STATE LANDS COMMISSION** (100 Howe Avenue, Suite 100-South, Sacramento, California 95825-8202), pursuant to Division 6 of the Public Resources Code and Title 2, Division 3 of the California Code of Regulations, and for consideration specified in this Lease, does hereby lease, demise, and let to **CITY OF NEWPORT BEACH**, hereinafter referred to as Lessee, those certain lands described in Section 3 subject to the reservations, terms, covenants, and conditions of this Lease.

MAILING ADDRESS: City of Newport Beach, Trustee
3300 Newport Boulevard
Newport Beach, California, 92663

LEASE TYPE: General Lease – Public Agency Use

LAND TYPE: Sovereign

LOCATION: Filled and unfilled sovereign tide and submerged land in Lower Newport Bay, adjacent to the Balboa Peninsula, specifically between 15th and 18th Streets, city of Newport Beach, County of Orange.

LAND USE OR PURPOSE: Removal of existing improvements including the mobile home park; construction of a new public marina and parking lot; construction, use, and maintenance of a sailing center, public access paths, and aquatic beachfront park; and the continued use and maintenance of an existing parking lot, American Legion facilities, and open space for water-related recreation; as described in the City's EIR document SCH# 2008051096, certified on May 11, 2010.

TERM: 49 years; beginning September 1, 2011; ending August 31, 2060, or as of the effective date of the amended granting statute, whichever occurs first, or unless sooner terminated as provided under this Lease.

CONSIDERATION: The public use and benefit; subject to modification by Lessor as specified in Paragraph 2 of Section 4 - General Provisions.

AUTHORIZED IMPROVEMENTS:

EXISTING: Marina, parking lot, American Legion facility.

TO BE CONSTRUCTED: Sailing center, marina, parking lot, public access paths, and aquatic beachfront park.

CONSTRUCTION MUST BEGIN BY: See Paragraph 2 of Section 2 below.

AND BE COMPLETED BY: See Paragraph 2 of Section 2 below.

LIABILITY INSURANCE: N/A

SURETY BOND OR OTHER SECURITY: N/A

SECTION 2
SPECIAL PROVISIONS

**BEFORE THE EXECUTION OF THIS LEASE, ITS PROVISIONS ARE AMENDED,
REVISED, OR SUPPLEMENTED AS FOLLOWS:**

1. It is understood that this Lease is being issued pursuant to a Compromise Title Settlement Exchange Agreement as authorized under Cal. Pub. Res. Code § 6307 between the Lessee and the Lessor and is a necessary and integral component of said Agreement. In the event that there are conflicts between this Lease and that Agreement, the terms of the Agreement shall prevail.
2. Lessee shall remove existing Mobile homes from Lease Premises within two years of obtaining a Coastal Development Permit and all other State and Federal permits necessary for the proposed Marina Park development.
3. Lessee shall not add or permit any additional improvements beyond the improvements described in the City's EIR document (SCH# 2008051096, certified on May 11, 2010) for the Marina Park development to be placed on the Lease Premises without prior written consent of the Commission.
4. Lessee shall deposit any revenue generated from the Lease Premises into the City's public trust fund to be expended for trust purposes pursuant to Cal. Pub. Res. Code § 6306 and the City's trust grant. Non-motorized public access to the park and bay shall be free from charge.
5. Lessor is not responsible for any damage to any property, including any vehicles, equipment, tools, or machinery within the Lease Premises.
6. All construction activities, including restoration and remediation, shall be carried out in accordance with applicable regulations, permits, and conditions of all other agencies.
7. Lessee acknowledges and agrees:
 - a. The site may be subject to hazards from natural geophysical phenomena including, but not limited to, waves, storm waves, tsunamis, earthquakes, flooding, erosion, and sea level rise.
 - b. To assume the risks of injury and damage to Lessee, its agents, employees, contractors permittees, invitees and guests and the Leased Lands from such hazards in connection with the development and use of the Leased Lands subject to any Coastal Development Permit.
 - c. To unconditionally waive any claim or damage or liability against the State of California, its agencies, officers, agents, and employees for injury and/or damage from such hazards to Lessee, its agents, employees, contractors, permittees, invitees and guests.

- d. To indemnify, hold harmless and, at the option of Lessor, defend the State of California, its agencies, officers, agents, and employees, against and for any and all liability, claims demands, damages, injuries, or costs of any kind and from any cause (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any alleged or actual injury, damage or claim due to site hazards or connected in any way with respect to the approval of any Coastal Development Permit involving the Leased Lands, except for any such liability, claims, damage or injury solely caused by the negligence of Lessor, its officers, agents and employees.
8. The provisions of Section 4, Paragraphs 9 (Insurance) and 9 (Surety Bond) are not applicable.
9. Lessor and Lessee shall expeditiously pursue obtaining the legislation necessary for State to transfer to Lessee, in trust, and under substantially the same terms as the statutory trust grant, the property subject to this Lease, as provided for in the Compromise Title Settlement and Land Exchange Agreement.
10. This Lease shall terminate if the Lease Premises are legislatively granted to Lessee.

In the event of any conflict between the provisions of Section 2 and Section 4 of this Lease, the provisions of Section 2 shall prevail.

SECTION 3
LAND DESCRIPTION
PUBLIC TRUST PARCEL

A PARCEL OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET (100 FEET WIDE) AND THE UNITED STATES GOVERNMENT BULKHEAD LINE BETWEEN STATION NUMBER 118 AND STATION NUMBER 119, AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE SOUTH 10°40'10" WEST 109.82 FEET TO A POINT WHICH IS 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF TRACT NO. 234 AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE NORTH 79°20'30" WEST 165.12 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE CITY OF NEWPORT BEACH RESOLUTION NO. 4532, RESOLUTION ORDERING VACATION, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE EASTERLY LINE OF SAID LAND DESCRIBED IN SAID DEED SOUTH 10°39'12" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID NORTHERLY LINE SOUTH 79°20'30" EAST 20.00 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 115 OF SAID TRACT NO. 234; THENCE ALONG THE WESTERLY LINE OF SAID LOT 10 SOUTH 10°39'12" WEST 99.79 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°19'20" WEST 128.80 FEET TO THE CENTERLINE OF 16TH STREET (40 FEET WIDE, PORTION NOW ABANDONED); THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF

11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°22'58" WEST 225.76 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE NORTH 10°36'36" EAST 82.47 FEET TO SAID U.S. BULKHEAD LINE; THENCE ALONG SAID BULKHEAD LINE SOUTH 79°22'11" EAST 1280.68 FEET TO THE POINT OF BEGINNING.

CONTAINING 6.958 ACRES, MORE OR LESS.

END OF DESCRIPTION

DATED THIS 14TH DAY OF NOVEMBER, 2011.

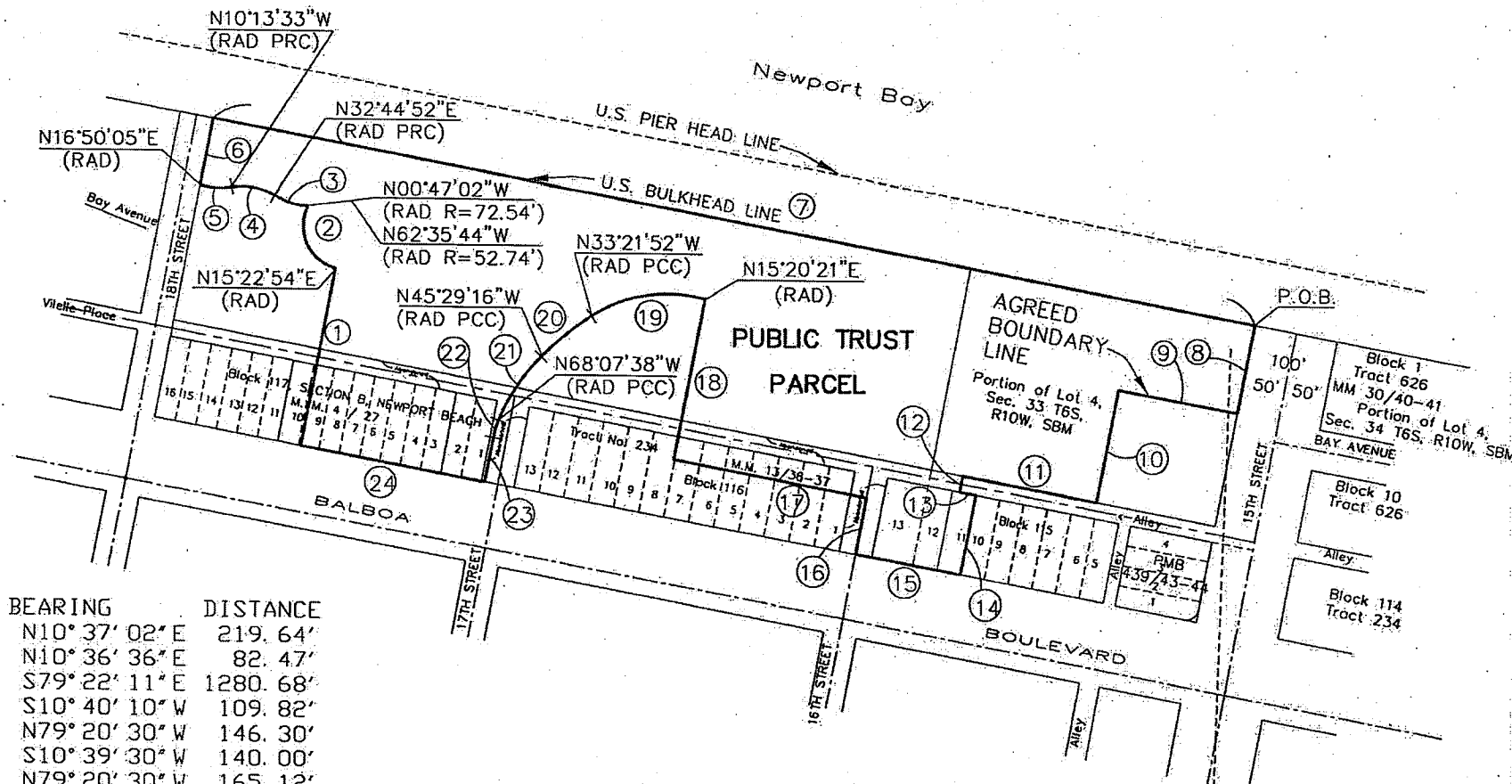
Gwen-Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108





NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.



BEARING	DISTANCE
1 N10°37'02"E	219.64'
6 N10°36'36"E	82.47'
7 S79°22'11"E	1280.68'
8 S10°40'10"W	109.82'
9 N79°20'30"W	146.30'
10 S10°39'30"W	140.00'
11 N79°20'30"W	165.12'
12 S10°39'12"W	20.00'
13 S79°20'30"E	20.00'
14 S10°39'12"W	99.79'
15 N79°19'20"W	128.80'
16 N10°38'49"E	70.87'
17 N79°15'11"W	236.74'
18 N10°44'49"E	199.43'
23 S10°41'35"W	54.92'
24 N79°22'58"W	225.76'

RADIUS	DELTA	LENGTH
2 52.74'	102°01'22"	93.91'
3 72.54'	33°31'53"	42.46'
4 72.01'	42°58'25"	54.01'
5 81.24'	27°03'38"	38.37'
19 168.54'	48°42'13"	143.27'
20 373.41'	12°07'24"	79.01'
21 239.54'	22°38'22"	94.65'
22 113.22'	11°10'47"	22.09'

AD 596

JOB #: 107-005
DATE: 8-17-11
SCALE: 1"=200'
SHEET 1 OF 1

SECTION 3
PUBLIC TRUST PARCEL

COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE 8
TUSTIN, CA 92780-6527 (714) 918-6266

SECTION 4

GENERAL PROVISIONS

1. GENERAL

These provisions are applicable to all leases, permits, rights-of-way, easements, or licenses or other interests in real property conveyed by the State Lands Commission.

2. CONSIDERATION

(a) Categories

(1) Rental

Lessee shall pay the annual rental as stated in this Lease to Lessor without deduction, delay, or offset, on or before the beginning date of this Lease and on or before each anniversary of its beginning date during each year of the Lease term.

(2) Non-Monetary Consideration

If the consideration to Lessor for this Lease is the public use, benefit, health, or safety, Lessor shall have the right to review such consideration at any time and set a monetary rental if the State Lands Commission, at its sole discretion, determines that such action is in the best interest of the State.

(b) Modification

Lessor may modify the method, amount, or rate of consideration effective on each fifth anniversary of the beginning date of this Lease. Should Lessor fail to exercise such right effective on any fifth anniversary it may do so effective on any one (1) of the next four (4) anniversaries following such fifth anniversary, without prejudice to its right to effect such modification on the next or any succeeding fifth anniversary. No such modification shall become effective unless Lessee is given at least thirty (30) days notice prior to the effective date.

(c) Penalty and Interest

Any installments of rental accruing under this Lease not paid when due shall be subject to a penalty and shall bear interest as specified in Public Resources Code Section 6224 and the Lessor's then existing administrative regulations governing penalty and interest.

3. BOUNDARIES

This Lease is not intended to establish the State's boundaries and is made without prejudice to either party regarding any boundary claims which may be asserted presently or in the future.

4. LAND USE

(a) General

Lessee shall use the Lease Premises only for the purpose or purposes stated in this Lease and only for the operation and maintenance of the improvements expressly authorized in this Lease. Lessee shall commence use of the Lease Premises within ninety (90) days of the beginning date of this Lease or within ninety (90) days of the date set for construction to commence as set forth in this Lease, whichever is later. Lessee shall notify Lessor within ten (10) days after commencing the construction of authorized improvements

and within sixty (60) days after completing them. Lessee's discontinuance of such use for a period of ninety (90) days shall be conclusively presumed to be an abandonment.

(b) Continuous Use

Lessee's use of the Lease Premises shall be continuous from commencement of the Lease until its expiration.

(c) Repairs and Maintenance

Lessee shall, at its own expense, keep and maintain the Lease Premises and all improvements in good order and repair and in safe condition. Lessor shall have no obligation for such repair and maintenance.

(d) Additions, Alterations, and Removal

(1) Additions - No improvements other than those expressly authorized in this Lease shall be constructed by the Lessee on the Lease Premises without the prior written consent of Lessor.

(2) Alteration or Removal - Except as provided under this Lease, no alteration or removal of improvements on or natural features of the Lease Premises shall be undertaken without the prior written consent of Lessor.

(e) Conservation

Lessee shall practice conservation of water, energy, and other natural resources and shall prevent pollution and harm to the environment. Lessee shall not violate any law or regulation whose purpose is to conserve resources or to protect the environment. Violation of this section shall constitute grounds for termination of the Lease. Lessor, by its executive officer, shall notify Lessee, when in his or her opinion, Lessee has violated the provisions of this section and Lessee shall respond and discontinue the conduct or remedy the condition within 30 days.

(f) Toxics

Lessee shall not manufacture or generate hazardous wastes on the Lease Premises unless specifically authorized under other terms of this Lease. Lessee shall be fully responsible for any hazardous wastes, substances, or materials as defined under federal, State, or local law, regulation, or ordinance that are manufactured, generated, used, placed, disposed, stored, or transported on the Lease Premises during the Lease term and shall comply with and be bound by all applicable provisions of such federal, State, or local law, regulation or ordinance dealing with such wastes, substances, or materials. Lessee shall notify Lessor and the appropriate governmental emergency response agency(ies) immediately in the event of any release or threatened release of any such wastes, substances, or materials.

(g) Enjoyment

Subject to the provisions of paragraph 5 (a) (2) below, nothing in this Lease shall preclude Lessee from excluding persons from the Lease Premises when their presence or activity constitutes a material interference with Lessee's use

and enjoyment of the Lease Premises as provided under this Lease.

(h) Discrimination

Lessee in its use of the Lease Premises shall not discriminate against any person or class of persons on the basis of race, color, creed, religion, national origin, sex, age, or handicap.

(i) Residential Use

No portion of the Lease Premises shall be used as a location for a residence or for the purpose of mooring a structure which is used as a residence. For purposes of this Lease, a residence or floating residence includes but is not limited to boats, barges, houseboats, trailers, cabins, or combinations of such facilities or other such structures which provide overnight accommodations to the Lessee or others.

5. RESERVATIONS, ENCUMBRANCES, AND RIGHTS-OF-WAY

(a) Reservations

- (1) Lessor expressly reserves all natural resources in or on the Lease Premises, including but not limited to timber and minerals as defined under Public Resources Code Sections 6401 and 6407, as well as the right to grant leases in and over the Lease Premises for the extraction of such natural resources; however, such leasing shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.
- (2) Lessor expressly reserves a right to go on the Lease Premises and all improvements for any purposes associated with this Lease or for carrying out any function required by law, or the rules, regulations, or management policies of the State Lands Commission. Lessor shall have a right of reasonable access to the Lease Premises across Lessee owned or occupied lands adjacent to the Lease Premises for any purpose associated with this Lease.
- (3) Lessor expressly reserves to the public an easement for convenient access across the Lease Premises to other State-owned lands located near or adjacent to the Lease Premises and a right of reasonable passage across and along any right-of-way granted by this Lease; however, such easement or right-of-way shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.
- (4) Lessor expressly reserves the right to lease, convey, or encumber the Lease Premises, in whole or in part, during the Lease term for any purpose not inconsistent or incompatible with the rights or privileges of Lessee under this Lease.

(b) Encumbrances

This Lease may be subject to pre-existing contracts, leases, licenses, easements, encumbrances, and claims and is made without warranty by Lessor of title, condition, or fitness of the land for the stated or intended purpose.

6. RULES, REGULATIONS, AND TAXES

(a) Lessee shall comply with and be bound by all presently existing or subsequently enacted rules, regulations, statutes or ordinances of the State Lands Commission or any other governmental agency or entity having lawful authority and jurisdiction.

(b) Lessee understands and agrees that a necessary condition for the granting and continued existence of this Lease is that Lessee obtains and maintains all permits or other entitlements.

(c) Lessee accepts responsibility for and agrees to pay any and all possessory interest taxes, assessments, user fees or service charges imposed on or associated with the leasehold interest, improvements or the Lease Premises, and such payment shall not reduce rental due Lessor under this Lease and Lessor shall have no liability for such payment.

7. INDEMNITY

(a) Lessor shall not be liable and Lessee shall indemnify, hold harmless, and, at the option of Lessor, defend Lessor, its officers, agents, and employees against and for any and all liability, claims, damages or injuries of any kind and from any cause, arising out of or connected in any way with the issuance, enjoyment or breach of this Lease or Lessee's use of the Lease Premises except for any such liability, claims, damage or injury solely caused by the negligence of Lessor, its officers, agents and employees.

(b) Lessee shall notify Lessor immediately in case of any accident, injury, or casualty on the Lease Premises.

8. INSURANCE

(a) Lessee shall obtain and maintain in full force and effect during the term of this Lease comprehensive general liability insurance and property damage insurance, with such coverage and limits as may be reasonably requested by Lessor from time to time, but in no event for less than the sum(s) specified, insuring Lessee and Lessor against any and all claims or liability arising out of the ownership, use, occupancy, condition, or maintenance of the Lease Premises and all improvements.

(b) The insurance policy or policies shall name the State of California, its officers, employees and volunteers as insureds as to the Lease Premises and shall identify the Lease by its assigned number. Lessee shall provide Lessor with a certificate of such insurance and shall keep such certificate current. The policy (or endorsement) must provide that the insurer will not cancel the insured's coverage without thirty (30) days prior written notice to Lessor. Lessor will not be responsible for any premiums or other assessments on the

policy. The coverage provided by the insured (Lessee) shall be primary and non-contributing.

(c) The insurance coverage specified in this Lease shall be in effect at all times during the Lease term and subsequently until all of the Lease Premises have been either accepted as improved, by Lessor, or restored by Lessee as provided elsewhere in this Lease.

9. SURETY BOND

(a) Lessee shall provide a surety bond or other security device acceptable to Lessor, for the specified amount, and naming the State of California as the assured, to guarantee to Lessor the faithful observance and performance by Lessee of all of the terms, covenants, and conditions of this Lease.

(b) Lessor may require an increase in the amount of the surety bond or other security device to cover any additionally authorized improvements, alterations or purposes and any modification of consideration.

(c) The surety bond or other security device shall be maintained in full force and effect at all times during the Lease term and subsequently until all of the Lease Premises have been either accepted as improved, by Lessor, or restored by Lessee as provided elsewhere in this Lease.

10. ASSIGNMENT, ENCUMBRANCING OR SUBLETTING

(a) Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease and shall not sublet the Lease Premises, in whole or in part, or allow any person other than the Lessee's employees, agents, servants and invitees to occupy or use all or any portion of the Lease Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

(b) The following shall be deemed to be an assignment or transfer within the meaning of this Lease:

(1) If Lessee is a corporation, any dissolution, merger, consolidation or other reorganization of Lessee or sale or other transfer of a percentage of capital stock of Lessee which results in a change of controlling persons, or the sale or other transfer of substantially all the assets of Lessee;

(2) If Lessee is a partnership, a transfer of any interest of a general partner, a withdrawal of any general partner from the partnership, or the dissolution of the partnership.

(c) If this Lease is for sovereign lands, it shall be appurtenant to adjoining littoral or riparian land and Lessee shall not transfer or assign its ownership interest or use rights in such adjoining lands separately from the leasehold rights granted herein without the prior written consent of Lessor.

(d) If Lessee desires to assign, sublet, encumber or otherwise transfer all or any portion of the Lease Premises, Lessee shall do all of the following:

(1) Give prior written notice to Lessor;

(2) Provide the name and complete business organization and operational structure of the proposed assignee, sublessee, secured third party, or other transferee; and the nature of the use of and interest in the Lease Premises proposed by the assignee, sublessee, secured third party or other transferee. If the proposed assignee, sublessee, or secured third party is a general or limited partnership, or a joint venture, provide a copy of the partnership agreement or joint venture agreement, as applicable;

(3) Provide the terms and conditions of the proposed assignment, sublease, or encumbrance or other transfer;

(4) Provide audited financial statements for the two most recently completed fiscal years of the proposed assignee, sublessee, secured party or other transferee; and provide pro forma financial statements showing the projected income, expense and financial condition resulting from use of the Lease Premises; and

(5) Provide such additional or supplemental information as Lessor may reasonably request concerning the proposed assignee, sublessee, secured party or other transferee.

Lessor will evaluate proposed assignees, sublessees, secured third parties and other transferees and grant approval or disapproval according to standards of commercial reasonableness considering the following factors within the context of the proposed use: the proposed party's financial strength and reliability, their business experience and expertise, their personal and business reputation, their managerial and operational skills, their proposed use and projected rental, as well as other relevant factors.

(e) Lessor shall have a reasonable period of time from the receipt of all documents and other information required under this provision to grant or deny its approval of the proposed party.

(f) Lessee's mortgage or hypothecation of this Lease, if approved by Lessor, shall be subject to terms and conditions found in a separately drafted standard form (Agreement and Consent to Encumbrancing of Lease) available from Lessor upon request.

(g) Upon the express written assumption of all obligations and duties under this Lease by an assignee approved by Lessor, the Lessee may be released from all liability under this Lease arising after the effective date of assignment and not associated with Lessee's use, possession or occupation of

STATE OF CALIFORNIA - STATE LANDS COMMISSION

LEASE NO.

This Lease shall become effective only when approved by and executed on behalf of the State Lands Commission of the State of California and a duly executed copy has been delivered to Lessee. The submission of this Lease by Lessor, its agent or representative for examination by Lessee does not constitute an option or offer to lease the Lease Premises upon the terms and conditions contained herein, or a reservation of the Lease Premises in favor of Lessee. Lessee's submission of an executed copy of this Lease to Lessor shall constitute an offer to Lessor to lease the Lease Premises on the terms and conditions set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date hereafter affixed.

LESSEES:

LESSOR:

**STATE OF CALIFORNIA
STATE LANDS COMMISSION**

By: _____

Title: _____

Date: _____

ACKNOWLEDGEMENT

This Lease was authorized by the
California State Lands Commission on

(Month Day Year)

EXHIBIT K
FORM OF CERTIFICATE OF ACCEPTANCE

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

STATE OF CALIFORNIA
OFFICIAL BUSINESS
Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N. n/a
S.L.C. AD 596/G09-02.10

CERTIFICATE OF ACCEPTANCE AND CONSENT TO RECORDING
Government Code Section 27281

This is to certify that the STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby accepts from the CITY OF NEWPORT BEACH, a trustee pursuant to *inter alia*, Chapter 74 of the Statutes of 1978, as amended, in the STATE OF CALIFORNIA, the attached Quitclaim Deed dated _____, 2011, of all of the CITY OF NEWPORT BEACH's right, title and interest, as trustee, in real property described therein Trust Termination Parcel.

The STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby consents to the recordation of this conveyance in the Office of the Recorder for the County of Orange.

[Remainder of page intentionally left blank]

This acceptance and consent to recording is executed by and on behalf of the STATE OF CALIFORNIA by the CALIFORNIA STATE LANDS COMMISSION, acting pursuant to law, as approved by Minute Item No. C73 of its public meeting in Sacramento, California on September 1, 2011 by its duly authorized undersigned officer.

STATE OF CALIFORNIA
CALIFORNIA STATE LANDS COMMISSION

Dated: _____ By: _____

CURTIS L. FOSSUM
Executive Officer

DEED AND ACKNOWLEDGMENT OF SIGNATURE TO BE ATTACHED

EXHIBIT L
FORM OF CERTIFICATE OF ACCEPTANCE

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

STATE OF CALIFORNIA
OFFICIAL BUSINESS
Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N. n/a
S.L.C. AD 596/ G09-02.10

CERTIFICATE OF ACCEPTANCE AND CONSENT TO RECORDING
Government Code Section 27281

This is to certify that the STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby accepts from the CITY OF NEWPORT BEACH, a municipality in the STATE OF CALIFORNIA, the attached Quitclaim Deed dated _____, 2011, of all of the CITY OF NEWPORT BEACH's right, title and interest in real property described therein Public Trust Parcel.

The STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby consents to the recordation of this conveyance in the Office of the Recorder for the County of Orange.

The said interests in real property are accepted by the STATE OF CALIFORNIA, in its sovereign capacity in trust for the people of the state, as real property of the legal character of tidelands and submerged lands.

[Remainder of page intentionally left blank]

This acceptance and consent to recording is executed by and on behalf of the STATE OF CALIFORNIA by the CALIFORNIA STATE LANDS COMMISSION, acting pursuant to law, as approved by Minute Item No. C73 of its public meeting in Sacramento, California on September 1, 2011 by its duly authorized undersigned officer.

STATE OF CALIFORNIA
CALIFORNIA STATE LANDS COMMISSION

Dated: _____ By: _____

CURTIS L. FOSSUM
Executive Officer

DEED AND ACKNOWLEDGMENT OF SIGNATURE TO BE ATTACHED

or activities on the Lease Premises; except as to any hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance manufactured, generated, used, placed, disposed, stored or transported on the Lease Premises.

(h) If the Lessee files a petition or an order for relief is entered against Lessee, under Chapters 7,9,11 or 13 of the Bankruptcy Code (11 USC Sect. 101, et seq.) then the trustee or debtor-in-possession must elect to assume or reject this Lease within sixty (60) days after filing of the petition or appointment of the trustee, or the Lease shall be deemed to have been rejected, and Lessor shall be entitled to immediate possession of the Lease Premises. No assumption or assignment of this Lease shall be effective unless it is in writing and unless the trustee or debtor-in-possession has cured all defaults under this Lease (monetary and non-monetary) or has provided Lessor with adequate assurances (1) that within ten (10) days from the date of such assumption or assignment, all monetary defaults under this Lease will be cured; and (2) that within thirty (30) days from the date of such assumption, all non-monetary defaults under this Lease will be cured; and (3) that all provisions of this Lease will be satisfactorily performed in the future.

11. DEFAULT AND REMEDIES

(a) Default

The occurrence of any one or more of the following events shall immediately and without further notice constitute a default or breach of the Lease by Lessee:

- (1) Lessee's failure to make any payment of rental, royalty, or other consideration as required under this Lease;
- (2) Lessee's failure to obtain or maintain liability insurance or a surety bond or other security device as required under this Lease;
- (3) Lessee's vacation or abandonment of the Lease Premises (including the covenant for continuous use as provided for in paragraph 4) during the Lease term;
- (4) Lessee's failure to obtain and maintain all necessary governmental permits or other entitlements;
- (5) Lessee's failure to comply with all applicable provisions of federal, state or local law, regulation or ordinance dealing with hazardous waste, substances or materials as defined under such law;
- (6) Lessee's Failure to commence to construct and to complete construction of the improvements authorized by this Lease within the time limits specified in this Lease; and/or

- (7) Lessee's failure to comply with applicable provisions of federal, State or local laws or ordinances relating to issues of Health and Safety, or whose purpose is to conserve resources or to protect the environment.

(b) Lessee's failure to observe or perform any other term, covenant, or condition of this Lease to be observed or performed by the Lessee when such failure shall continue for a period of thirty (30) days after Lessor's giving written notice; however, if the nature of Lessee's default or breach under this paragraph is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in default or breach if Lessee commences such cure within such thirty (30) day period and diligently proceeds with such cure to completion.

(c) Remedies

In the event of a default or breach by Lessee and Lessee's failure to cure such default or breach, Lessor may at any time and with or without notice do any one or more of the following:

- (1) Re-enter the Lease Premises, remove all persons and property, and repossess and enjoy such premises;
- (2) Terminate this Lease and Lessee's right of possession of the Lease Premises. Such termination shall be effective upon Lessor's giving written notice and upon receipt of such notice, Lessee shall immediately surrender possession of the Lease Premises to Lessor;
- (3) Maintain this Lease in full force and effect and recover any rental, royalty, or other consideration as it becomes due without terminating Lessee's right of possession regardless of whether Lessee shall have abandoned the Lease Premises; and/or
- (4) Exercise any other right or remedy which Lessor may have at law or equity.

12. RESTORATION OF LEASE PREMISES

(a) Upon expiration or sooner termination of this Lease, Lessor upon written notice may take title to any or all improvements, including fills, or Lessor may require Lessee to remove all or any such improvements at its sole expense and risk; or Lessor may itself remove or have removed all or any portion of such improvements at Lessee's sole expense. Lessee shall deliver to Lessor such documentation as may be necessary to convey title to such improvements to Lessor free and clear of any liens, mortgages, loans or any other encumbrances.

(b) In removing any such improvements Lessee shall restore the Lease Premises as nearly as possible to the conditions existing prior to their installation or construction.

(c) All plans for and subsequent removal and restoration shall be to the satisfaction of Lessor and shall be completed within ninety (90) days after the expiration or sooner termination of this Lease or after compliance with paragraph 12(d), whichever is the lesser.

(d) In removing any or all the improvements Lessee shall be required to obtain any permits or other governmental approvals as may then be required by lawful authority.

(e) Lessor may at any time during the Lease term require Lessee to conduct at its own expense and by a contractor approved by Lessor an independent environmental site assessment or inspection for the presence or suspected presence of hazardous wastes, substances or materials as defined under federal, State or local law, regulation or ordinance manufactured, generated, used, placed, disposed, stored, or transported on the Lease Premises during the term of the Lease. Lessee shall provide the results of the assessment or inspection to Lessor and the appropriate governmental response agency(ies) and shall further be responsible for removing or taking other appropriate remedial action regarding such wastes, substances or materials in accordance with applicable federal, state or local law regulation or ordinance.

13. QUITCLAIM

Lessee shall, within ninety (90) days of the expiration or sooner termination of this Lease, execute and deliver to Lessor in a form provided by Lessor a good and sufficient release of all rights under this Lease. Should Lessee fail or refuse to deliver such a release, a written notice by Lessor reciting such failure or refusal shall, from the date of its recordation, be conclusive evidence against Lessee of the termination of this Lease and all other claimants.

14. HOLDING-OVER

Any holding-over by Lessee after the expiration of the Lease term, with or without the express or implied consent of Lessor, shall constitute a tenancy from month to month and not an extension of the Lease term and shall be on the terms, covenants, and conditions of this Lease, except that the annual rental then in effect shall be increased by twenty-five percent (25%).

15. ADDITIONAL PROVISIONS

(a) Waiver

(1) No term, covenant, or condition of this Lease and no default or breach of any such term, covenant or condition shall be deemed to have been waived, by Lessor's acceptance of a late or nonconforming performance or otherwise, unless such a waiver is expressly acknowledged by Lessor in writing.

(2) Any such waiver shall not be deemed to be a waiver of any other term, covenant or condition of any other default or breach of any term, covenant or condition of this Lease.

(b) Time

Time is of the essence of this Lease and each and all of its terms, covenants or conditions in which performance is a factor.

(c) Notice

All notices required to be given under this Lease shall be given in writing, sent by U.S. Mail with postage prepaid, to Lessor at the offices of the State Lands Commission and the Lessee at the address specified in this Lease. Lessee shall give Lessor notice of any change in its name or address.

(d) Consent

Where Lessor's consent is required under this Lease its consent for one transaction or event shall not be deemed to be a consent to any subsequent occurrence of the same or any other transaction or event.

(e) Changes

This Lease may be terminated and its term, covenants, and conditions amended, revised, or supplemented only by mutual written agreement of the parties.

(f) Successors

The terms, covenants, and conditions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, successors, and assigns of the respective parties.

(g) Joint and Several Obligation

If more than one Lessee is a party to this Lease, the obligations of the Lessees shall be joint and several.

(h) Captions

The captions of this Lease are not controlling and shall have no effect upon its construction or interpretation.

(i) Severability

If any term, covenant or condition of this Lease is determined by a court of competent jurisdiction to be invalid, it shall be considered deleted and shall not invalidate any of the remaining terms, covenants and conditions.

/

EXHIBIT M
CERTIFICATE OF ACCEPTANCE

This **CERTIFICATE OF ACCEPTANCE** is to certify that the interest in real property, _____, by and between the City of Newport Beach, a municipal corporation, as Grantee, and _____ as _____, as Grantor, is hereby accepted on _____, by the undersigned officer on behalf of the City of Newport Beach pursuant to authority conferred by Resolution No. 1992-82 of the City Council adopted on July 27, 1992. The City consents to the recordation of said document in the Office of the Recorder of Orange County, State of California.

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

CITY OF NEWPORT BEACH,
A Municipal Corporation

By: _____
Leonie Mulvihill
Assistant City Attorney

By: _____
Dave Kiff,
City Manager

ATTEST:

By: _____
Leilani I. Brown,
City Clerk

State of California)
County of ORANGE)

On _____ before me, _____, Notary Public, personally appeared DAVE KIFF, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

_____(Seal)

EXHIBIT N
FORM OF LEGISLATION

SECTION 1. (a) There is hereby granted and conveyed in trust to the City of Newport Beach in the County of Orange all the right, title, and interest of the State of California, subject to the City's statutory trust, acquired and held by the state pursuant to the agreement that was approved as Calendar Item XX of the September 1, 2011 State Lands Commission meeting, and which is further described as follows:

[INSERT LAND DESCRIPTION]

(b) There is hereby granted, conveyed and confirmed in trust to the City of Newport Beach in the County of Orange all the right, title, and interest of the State of California, subject to the City's statutory trust, those lands quieted in the City of Newport Beach, as trustee, and located waterward of the ordinary high tide line between 18th and 19th Streets, as permanently fixed in SCC #40434, filed April 17, 1942, Orange County Recorder's Book 1145, Page 172.

(c) The lease of the lands described in subdivision (a), designated as PRC XXXX, from the State Lands Commission to the City shall terminate on January 1, 2013.

(d) The City shall hold, operate, and manage, in trust for the benefit of the statewide public, the public trust lands described in subdivisions (a) and (b) in accordance with the terms, trusts, and conditions set forth in Chapter 78, Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes of 2001, and Chapter 361, Statutes of 2004.

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

2012000667037 10:55 am 10/31/12

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STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

**STATE OF CALIFORNIA
OFFICIAL BUSINESS**

Document entitled to free recordation
pursuant to Government Code Section 27383

NO TAX DUE _____

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.

S.L.C. AD596/G09-02.10

**CITY OF NEWPORT BEACH
QUITCLAIM DEED**

WHEREAS, the State Lands Commission, at its public meeting in Sacramento, California on September 1, 2011 approved Calendar Item No.73, which authorized the Compromise Title Settlement and Land Exchange Agreement Regarding Certain Lands in the Vicinity of Lower Newport Bay, City of Newport Beach, California ("Agreement") between the City of Newport Beach, a municipality, the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, as amended, and the State of California ("State"), acting by and through the State Lands Commission, pursuant to Public Resources Code section 6307; and

WHEREAS, pursuant to the Agreement, the City of Newport Beach, a trustee, must convey all its right, title, and interest in the Trust Termination Parcel to the State of California, acting by and through the State Lands Commission, as more particularly described in Exhibit A, attached hereto; and

WHEREAS, it is the intent of the State, acting by and through the State Lands Commission, to accept all right, title, and interest in the Trust Termination Parcel.

Now, THEREFORE,

The City of Newport Beach, a trustee, does hereby REMISE, RELEASE, and FOREVER quitclaim to the State, acting by and through the State Lands Commission, all its right, title, and interest in the Trust Termination Parcel, as described in Exhibit 1.

This quitclaim deed is executed by and on behalf of the CITY OF NEWPORT BEACH, a trustee, acting pursuant to law, by its duly authorized undersigned officer.

Dated: 5/10/12

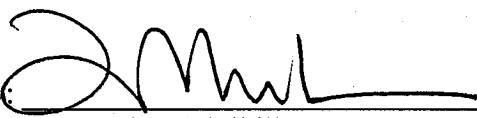
CITY OF NEWPORT BEACH,
A Municipal Corporation

By:


Dave Kiff
City Manager

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

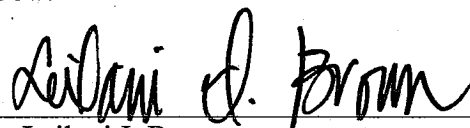
By:


Leonie Mulvihill
Assistant City Attorney

11/17/11

ATTEST:

By:


Leilani I. Brown
City Clerk



ACKNOWLEDGMENT

State of California
County of Orange

On May 10, 2012 before me, Kim Rieff, Notary Public
(insert name and title of the officer)

personally appeared DAVE KIFF
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kim Rieff (Seal)

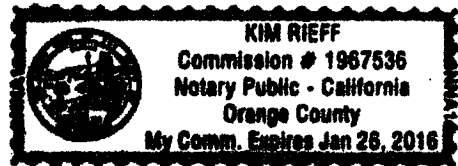


EXHIBIT 1
LAND DESCRIPTION
TRUST TERMINATION PARCELS

THREE PARCELS OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF LOT 16 OF BLOCK 117, SECTION B, NEWPORT BEACH AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 27 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 117, ALSO BEING THE NORTHEASTERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) SOUTH 79°22'58" EAST 178.20 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE SOUTH 10°36'36" WEST 287.10 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.124 ACRES, MORE OR LESS.

PARCEL 2

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF 16TH STREET (40 FEET WIDE, NOW ABANDONED) AND THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) AS SHOWN ON TRACT NUMBER 234 AS SHOWN ON A MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 68°07'38" WEST;

THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE THE FOLLOWING TWO COURSES:

1. SOUTH 79°22'58" EAST 16.13 FEET;
2. SOUTH 79°23'02" EAST 440.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.499 ACRES, MORE OR LESS.

PARCEL 3

BEGINNING AT A POINT ON THE NORTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET, AS SHOWN ON A MAP OF TRACT 234, AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING NORTH 10°40'10" EAST 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF SAID TRACT NO. 234; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE SOUTH 79°20'30" EAST 146.27 FEET TO SAID WESTERLY RIGHT OF WAY LINE OF 15TH STREET; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE NORTH 10°40'10" EAST 140.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.470 ACRES, MORE OR LESS.

END OF DESCRIPTION

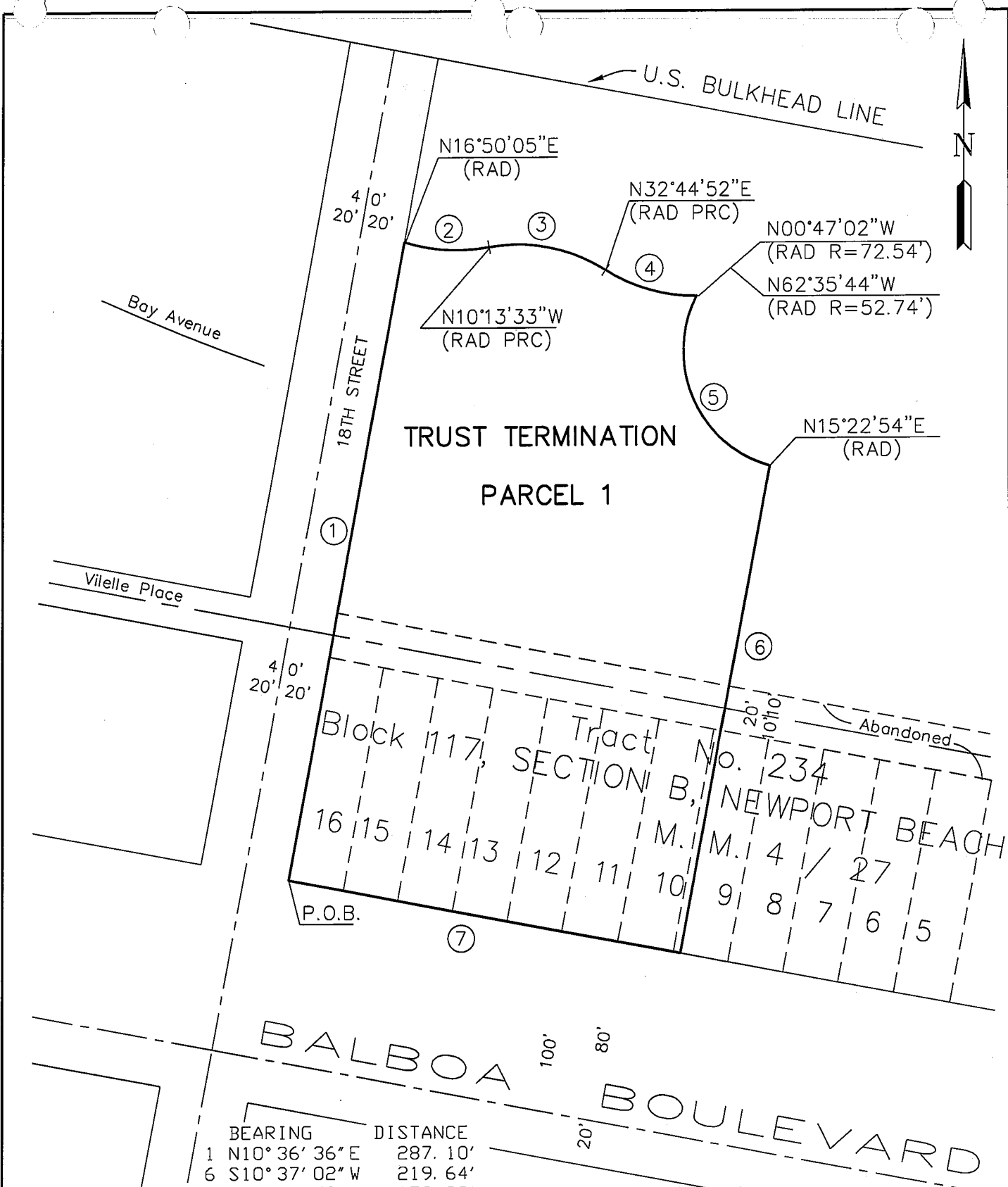
EXHIBIT PLATS 1 - 3

DATED THIS 5TH DAY OF OCTOBER, 2011.

Gwen Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108

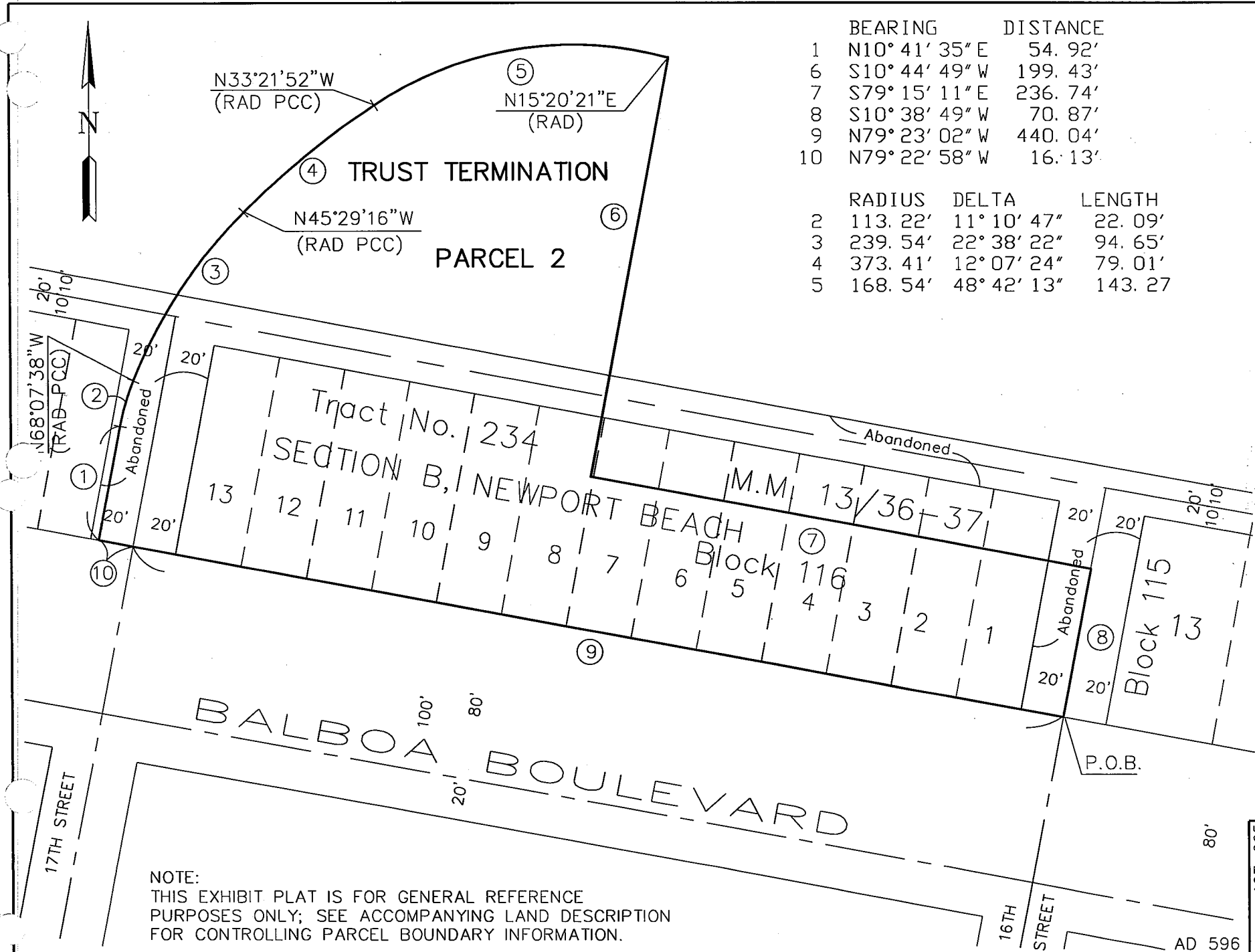




	BEARING	DISTANCE
1	N10°36'36"E	287.10'
6	S10°37'02"W	219.64'
7	N79°22'58"W	178.20'

	RADIUS	DELTA	LENGTH
2	81.24'	27°03'38"	38.37'
3	72.01'	42°58'25"	54.01'
4	72.54'	33°31'53"	42.46'
5	52.74'	102°01'22"	93.91'

NOTE:
THIS EXHIBIT PLAT IS FOR
GENERAL REFERENCE PURPOSES
ONLY; SEE ACCOMPANYING LAND
DESCRIPTION FOR CONTROLLING
PARCEL BOUNDARY INFORMATION. AD 596



N33°21'52"W
(RAD PCC)

⑤
N15°20'21"E
(RAD)

④ TRUST TERMINATION

N45°29'16"W
(RAD PCC)

PARCEL 2

	BEARING	DISTANCE
1	N10° 41' 35" E	54. 92'
6	S10° 44' 49" W	199. 43'
7	S79° 15' 11" E	236. 74'
8	S10° 38' 49" W	70. 87'
9	N79° 23' 02" W	440. 04'
10	N79° 22' 58" W	16. 13'

	RADIUS	DELTA	LENGTH
2	113. 22'	11° 10' 47"	22. 09'
3	239. 54'	22° 38' 22"	94. 65'
4	373. 41'	12° 07' 24"	79. 01'
5	168. 54'	48° 42' 13"	143. 27'

NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.

COAST SURVEYING, INC.

15031 PARKWAY LOOP, SUITE B

TUSTIN, CA 92780-6527 (714) 918-6266

EXHIBIT 1

PARCEL 2

TRUST TERMINATION

JOB #: 107-005

DATE: 10-5-11

SCALE: 1"=60'

SHEET 1 OF 1

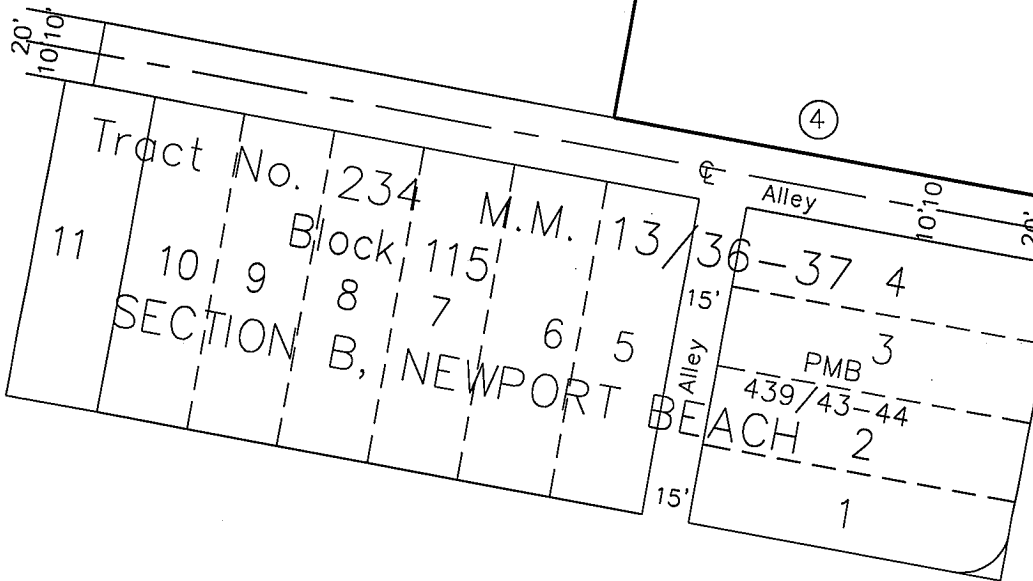
NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.

Portion of Lot 4,
Sec. 33 T6S, R10W, SBM

TRUST TERMINATION
PARCEL 3

P.O.B.

15TH STREET



BALBOA BOULEVARD

	BEARING	DISTANCE
1	N10° 39' 30" E	140.00'
2	S79° 20' 30" E	146.30'
3	S10° 40' 10" W	140.00'
4	N79° 20' 30" W	146.27'
5	N10° 40' 10" E	160.00'

Alley

Section 33
Section 34

AD 596

JOB #: 107-005
DATE: 10-5-11
SCALE: 1"=60'
SHEET 1 OF 1

EXHIBIT 1
PARCEL 3
TRUST TERMINATION

COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

CERTIFICATE OF ACCEPTANCE AND CONSENT TO RECORDING
Government Code Section 27281

This is to certify that the STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby accepts from the CITY OF NEWPORT BEACH, a trustee pursuant to *inter alia*, Chapter 74 of the Statutes of 1978, as amended, in the STATE OF CALIFORNIA, the attached Quitclaim Deed dated May 10, 2012, of all of the CITY OF NEWPORT BEACH's right, title and interest, as trustee, in the therein described Trust Termination Parcel.

The STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby consents to the recordation of this conveyance in the Office of the Recorder for the County of Orange.

This acceptance and consent to recording is executed by and on behalf of the STATE OF CALIFORNIA by the CALIFORNIA STATE LANDS COMMISSION, acting pursuant to law, as approved by Minute Item No. C73 of its public meeting in Sacramento, California on September 1, 2011 by its duly authorized undersigned officer.

STATE OF CALIFORNIA
CALIFORNIA STATE LANDS COMMISSION

Dated: 1/18/12

By: 

CURTIS L. FOSSUM
Executive Officer

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

**STATE OF CALIFORNIA
OFFICIAL BUSINESS**

Document entitled to free recordation
pursuant to Government Code Section 27383

NO TAX DUE _____

2012000667038 10:55 am 10/31/12

117 418 Q01 A04 7

0.00 0.00 0.00 20.00 18.00 0.00 0.00 0.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.

S.L.C. AD596/G09-02.10

**CITY OF NEWPORT BEACH
QUITCLAIM DEED**

WHEREAS, the State Lands Commission, at its public meeting in Sacramento, California on September 1, 2011 approved Calendar Item No. 73, which authorized the Compromise Title Settlement and Land Exchange Agreement Regarding Certain Lands in the Vicinity of Lower Newport Bay, City of Newport Beach, California ("Agreement") between the City of Newport Beach, a municipality, the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, as amended, and the State of California ("State"), acting by and through the State Lands Commission, pursuant to Public Resources Code section 6307; and

WHEREAS, pursuant to the Agreement, the City of Newport Beach, a municipality, must convey all its right, title, and interest in the Public Trust Parcel to the State of California, acting by and through the State Lands Commission, as more particularly described in Exhibit 1, attached hereto; and

WHEREAS, it is the intent of the State, acting by and through the State Lands Commission, to accept all right, title, and interest in the Public Trust Parcel as sovereign land, impressed with all incidents of sovereignty including the Public Trust for commerce, navigation, and fishing.

Now, THEREFORE,

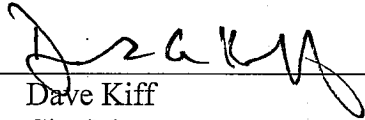
The City of Newport Beach, a municipality, does hereby REMISE, RELEASE, and FOREVER quitclaim to the State, acting by and through the State Lands Commission, all its right, title, and interest in the Public Trust Parcel, as described in Exhibit 1.

This quitclaim deed is executed by and on behalf of the CITY OF NEWPORT BEACH, acting pursuant to law, by its duly authorized undersigned officer.

Dated: 5/10/12

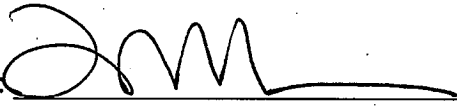
CITY OF NEWPORT BEACH,
A Municipal Corporation

By: _____


Dave Kiff
City Manager

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

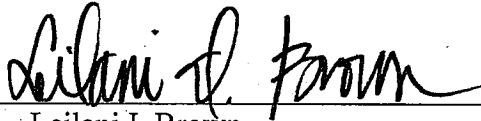
By: _____


Leonie Mulvihill
Assistant City Attorney

11/17/11

ATTEST:

By: _____


Leilani I. Brown
City Clerk



ACKNOWLEDGMENT

State of California
County of Orange

On May 10, 2012 before me, Kim Rieff, Notary Public
(insert name and title of the officer)

personally appeared DAVE KIFF,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kim Rieff (Seal)

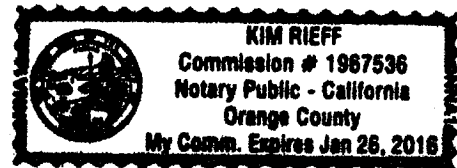


EXHIBIT 1
LAND DESCRIPTION
PUBLIC TRUST PARCEL

A PARCEL OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET (100 FEET WIDE) AND THE UNITED STATES GOVERNMENT BULKHEAD LINE BETWEEN STATION NUMBER 118 AND STATION NUMBER 119, AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE SOUTH 10°40'10" WEST 109.82 FEET TO A POINT WHICH IS 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF TRACT NO. 234 AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE NORTH 79°20'30" WEST 165.12 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE CITY OF NEWPORT BEACH RESOLUTION NO. 4532, RESOLUTION ORDERING VACATION, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE EASTERLY LINE OF SAID LAND DESCRIBED IN SAID DEED SOUTH 10°39'12" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID NORTHERLY LINE SOUTH 79°20'30" EAST 20.00 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 115 OF SAID TRACT NO. 234; THENCE ALONG THE WESTERLY LINE OF SAID LOT 10 SOUTH 10°39'12" WEST 99.79 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°19'20" WEST 128.80 FEET TO THE CENTERLINE OF 16TH STREET (40 FEET WIDE, PORTION NOW ABANDONED); THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF

11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°22'58" WEST 225.76 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE NORTH 10°36'36" EAST 82.47 FEET TO SAID U.S. BULKHEAD LINE; THENCE ALONG SAID BULKHEAD LINE SOUTH 79°22'11" EAST 1280.68 FEET TO THE POINT OF BEGINNING.

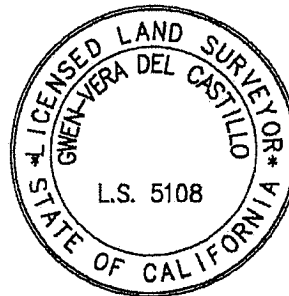
CONTAINING 6.958 ACRES, MORE OR LESS.

END OF DESCRIPTION

DATED THIS 5th DAY OF OCTOBER, 2011.

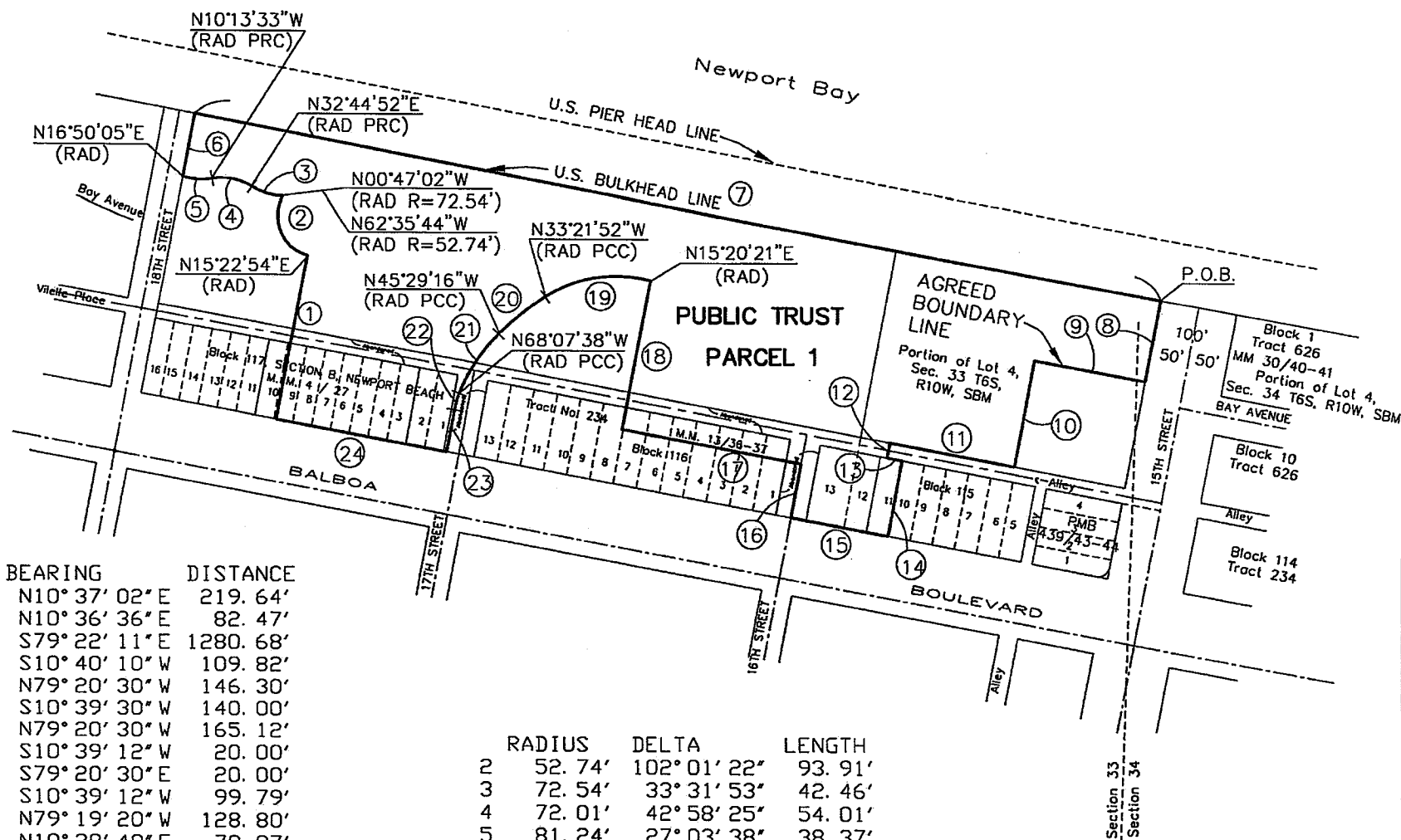
Gwen Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108





NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.



BEARING	DISTANCE
1 N10°37'02"E	219.64'
6 N10°36'36"E	82.47'
7 S79°22'11"E	1280.68'
8 S10°40'10"W	109.82'
9 N79°20'30"W	146.30'
10 S10°39'30"W	140.00'
11 N79°20'30"W	165.12'
12 S10°39'12"W	20.00'
13 S79°20'30"E	20.00'
14 S10°39'12"W	99.79'
15 N79°19'20"W	128.80'
16 N10°38'49"E	70.87'
17 N79°15'11"W	236.74'
18 N10°44'49"E	199.43'
23 S10°41'35"W	54.92'
24 N79°22'58"W	225.76'

	RADIUS	DELTA	LENGTH
2	52.74'	102°01'22"	93.91'
3	72.54'	33°31'53"	42.46'
4	72.01'	42°58'25"	54.01'
5	81.24'	27°03'38"	38.37'
19	168.54'	48°42'13"	143.27'
20	373.41'	12°07'24"	79.01'
21	239.54'	22°38'22"	94.65'
22	113.22'	11°10'47"	22.09'

AD 596

JOB #: 107-005
DATE: 10-5-11
SCALE: 1"=200'
SHEET 1 OF 1

EXHIBIT 1
PUBLIC TRUST PARCEL

COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-6266

CERTIFICATE OF ACCEPTANCE AND CONSENT TO RECORDING

Government Code Section 27281

This is to certify that the STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby accepts from the CITY OF NEWPORT BEACH, a municipality in the STATE OF CALIFORNIA, the attached Quitclaim Deed dated May 10, 2012 of all of the CITY OF NEWPORT BEACH's right, title and interest in the therein described Public Trust Parcel.

The STATE OF CALIFORNIA, acting by and through the CALIFORNIA STATE LANDS COMMISSION, an agency of the STATE OF CALIFORNIA, hereby consents to the recordation of this conveyance in the Office of the Recorder for the County of Orange.

The said interests in real property are accepted by the STATE OF CALIFORNIA, in its sovereign capacity in trust for the people of the state, as real property of the legal character of tidelands and submerged lands.

This acceptance and consent to recording is executed by and on behalf of the STATE OF CALIFORNIA by the CALIFORNIA STATE LANDS COMMISSION, acting pursuant to law, as approved by Minute Item No. C73 of its public meeting in Sacramento, California on September 1, 2011 by its duly authorized undersigned officer.

STATE OF CALIFORNIA
CALIFORNIA STATE LANDS COMMISSION

Dated: 1/18/12

By: 

CURTIS L. FOSSUM
Executive Officer

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202
Attn: Kathryn Colson, Legal Division

STATE OF CALIFORNIA
OFFICIAL BUSINESS
Document entitled to free recordation
pursuant to Government Code Section 27383

NO TAX DUE _____

2012000667039 10:55 am 10/31/12

117 418 Q01 A04 10

0.00 0.00 0.00 20.00 27.00 0.00 0.00 0.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

A.P.N.
S.L.C. AD596/G09-02.10

STATE OF CALIFORNIA
QUITCLAIM DEED

WHEREAS, the State Lands Commission, at its public meeting in Sacramento, California on September 1, 2011 approved Calendar Item No. 73, which authorized the Compromise Title Settlement and Land Exchange Agreement Regarding Certain Lands in the Vicinity of Lower Newport Bay, City of Newport Beach, California ("Agreement") between the City of Newport Beach, a municipality, the City of Newport Beach, as trustee pursuant to, *inter alia*, Chapter 74 of the Statutes of 1978, as amended by Chapter 728, Statutes of 1994, Chapter 317, Statutes of 1997, Chapter 745, Statutes 2001, and Chapter 361, Statutes of 2004, as amended, and the State of California ("State"), acting by and through the State Lands Commission, pursuant to Public Resources Code section 6307; and

WHEREAS, pursuant to the Agreement, the City of Newport Beach, as trustee, remised, released, and forever quitclaimed to the State, acting by and through the State Lands Commission, all the right, title, and interest in the Trust Termination Parcel, as more particularly described in Exhibit 1 attached hereto; and

WHEREAS, the State, acting by and through the State Lands Commission, has accepted the Trust Termination Parcel; and

WHEREAS, it is the intent of the State, acting by and through the State Lands Commission, to convey to the City of Newport Beach, as municipality, all right, title, and interest in the Trust Termination Parcel, as proprietary land, free of all incidents of sovereignty including the Public Trust for commerce, navigation, and fishing.

Now, THEREFORE,

The State, acting by and through the State Lands Commission, does hereby REMISE, RELEASE, and FOREVER quitclaim to the City of Newport Beach, as municipality, all its sovereign right, title, and interest in the Trust Termination Parcel as described in Exhibit 1. This quitclaim is intended to and does terminate any public trust interests of the State in the Trust Termination Parcel.

[Remainder of page intentionally left blank]

IN APPROVAL WHEREOF, I, Edmund G. Brown Jr., Governor of the State of California, have set my hand and caused the seal of the State of California to be hereunto affixed pursuant to Section 6107 of the Public Resources Code of the State of California. Given under my hand at the City of Sacramento this 13th day of January, two thousand 12.



Edmund G. Brown Jr.
EDMUND G. BROWN JR.
Governor
State of California

Attest: Debra Bowen
DEBRA BOWEN
Secretary of State

Countersigned:

Curtis L. Fossum
CURTIS L. FOSSUM
EXECUTIVE OFFICER
CALIFORNIA STATE LANDS
COMMISSION

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SACRAMENTO

On Jan 18, 2012 before me, Kimberly L. Lunetta, Notary Public

personally appeared Curtis L. Fossom



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kimberly L. Lunetta

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: State of California Quitclaim Deed
SAC. PD 596609-02.10
Document Date: Sept 1, 2011 Number of Pages: 8 pgs.

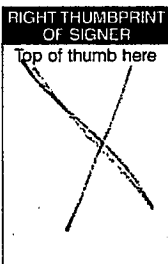
Signer(s) Other Than Named Above: Governor Brown; Secretary DEBRA BROWN

Capacity(ies) Claimed by Signer(s)

Signer's Name: Curtis L. Fossom

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☒ Other: EXECUTIVE
OFFICIAL

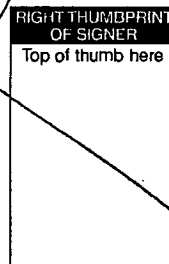
Signer Is Representing: as State Lands
Commissioner



Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____



CERTIFICATE OF ACCEPTANCE

This **CERTIFICATE OF ACCEPTANCE** is to certify that the interest in real property conveyed by the State of California, acting by and thru the State Lands Commission, an agency of the State of California, to the City of Newport Beach, a California municipal corporation, by the attached Quitclaim Deed dated January 13, 2012 for the Trust Termination Parcel as proprietary land is accepted by the undersigned officer on behalf of the City of Newport Beach pursuant to authority conferred by Resolution No. 1992-82 of the City Council adopted on July 27, 1992. The City consents to the recordation of said document in the Office of the Recorder of Orange County, State of California.

**APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE**

Date: 5-10-12

By: [Signature]
Aaron C. Harp
City Attorney

**CITY OF NEWPORT BEACH,
A California municipal corporation**

Date: 5-10-12

By: [Signature]
Dave Kiff
City Manager

ATTEST:

Date: 5-10-12

By: [Signature]
Leilani I. Brown
City Clerk



State of California)
County of ORANGE)

On 5 May 10, 2012 before me, Kim Rieff, Notary Public, personally appeared DAVE KIFF, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity(ies), and that by his signature on the instrument the person, or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

[Signature] (Seal)

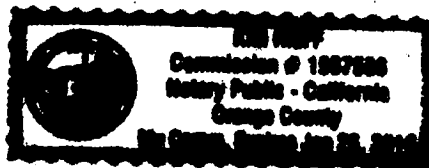


EXHIBIT 1
LAND DESCRIPTION
TRUST TERMINATION PARCELS

THREE PARCELS OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT THE SOUTHWEST CORNER OF LOT 16 OF BLOCK 117, SECTION B, NEWPORT BEACH AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 27 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID BLOCK 117, ALSO BEING THE NORTHEASTERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) SOUTH 79°22'58" EAST 178.20 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE EASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE SOUTH 10°36'36" WEST 287.10 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.124 ACRES, MORE OR LESS.

PARCEL 2

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF 16TH STREET (40 FEET WIDE, NOW ABANDONED) AND THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE) AS SHOWN ON TRACT NUMBER 234 AS SHOWN ON A MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 68°07'38" WEST;

THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE THE FOLLOWING TWO COURSES:

1. SOUTH 79°22'56" EAST 16.13 FEET;
2. SOUTH 79°23'02" EAST 440.04 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.499 ACRES, MORE OR LESS.

PARCEL 3

BEGINNING AT A POINT ON THE NORTHERLY PROLONGATION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET, AS SHOWN ON A MAP OF TRACT 234, AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING NORTH 10°40'10" EAST 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF SAID TRACT NO. 234; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE SOUTH 79°20'30" EAST 146.27 FEET TO SAID WESTERLY RIGHT OF WAY LINE OF 15TH STREET; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE NORTH 10°40'10" EAST 140.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 0.470 ACRES, MORE OR LESS.

END OF DESCRIPTION

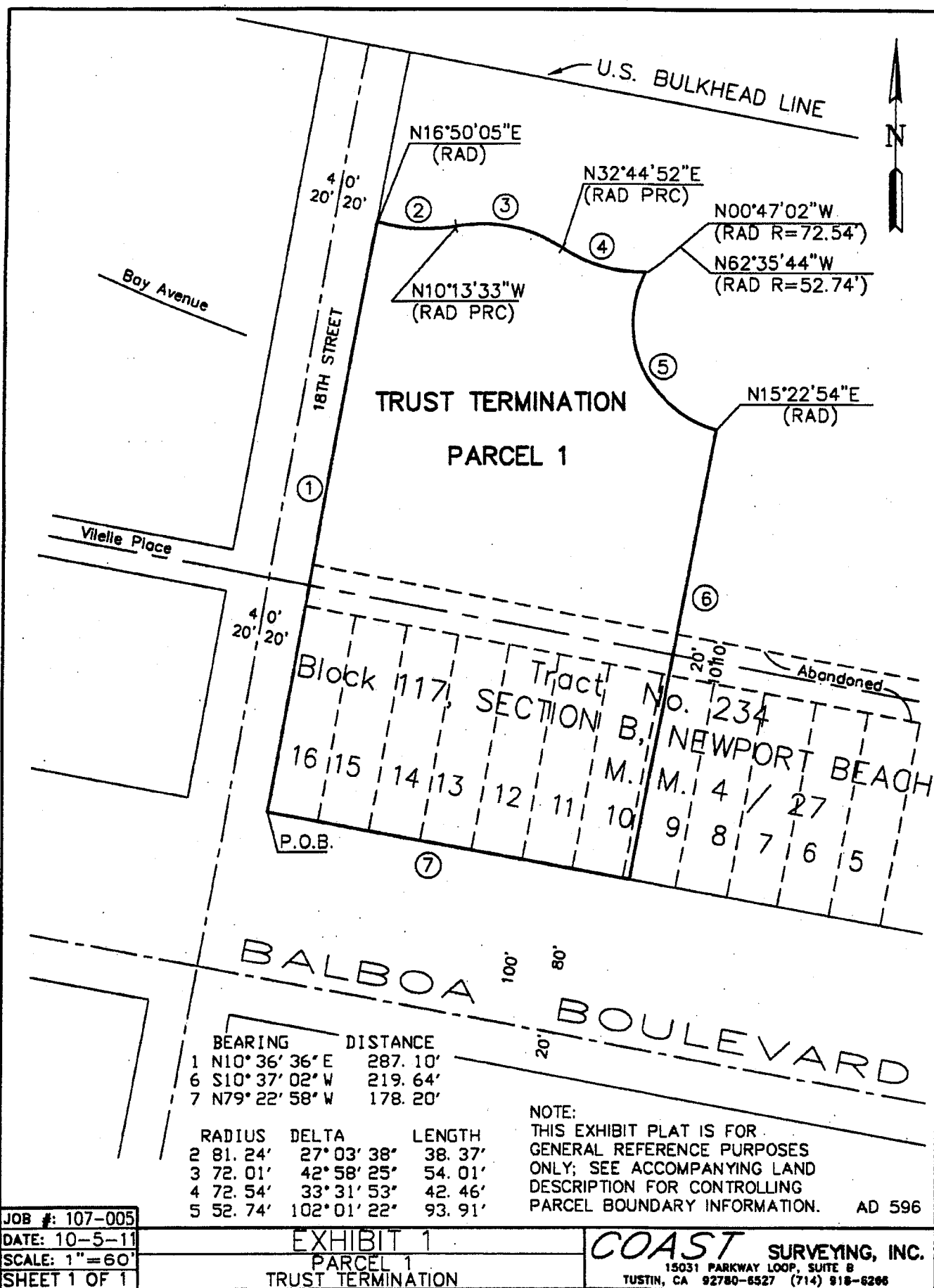
EXHIBIT PLATS 1 - 3

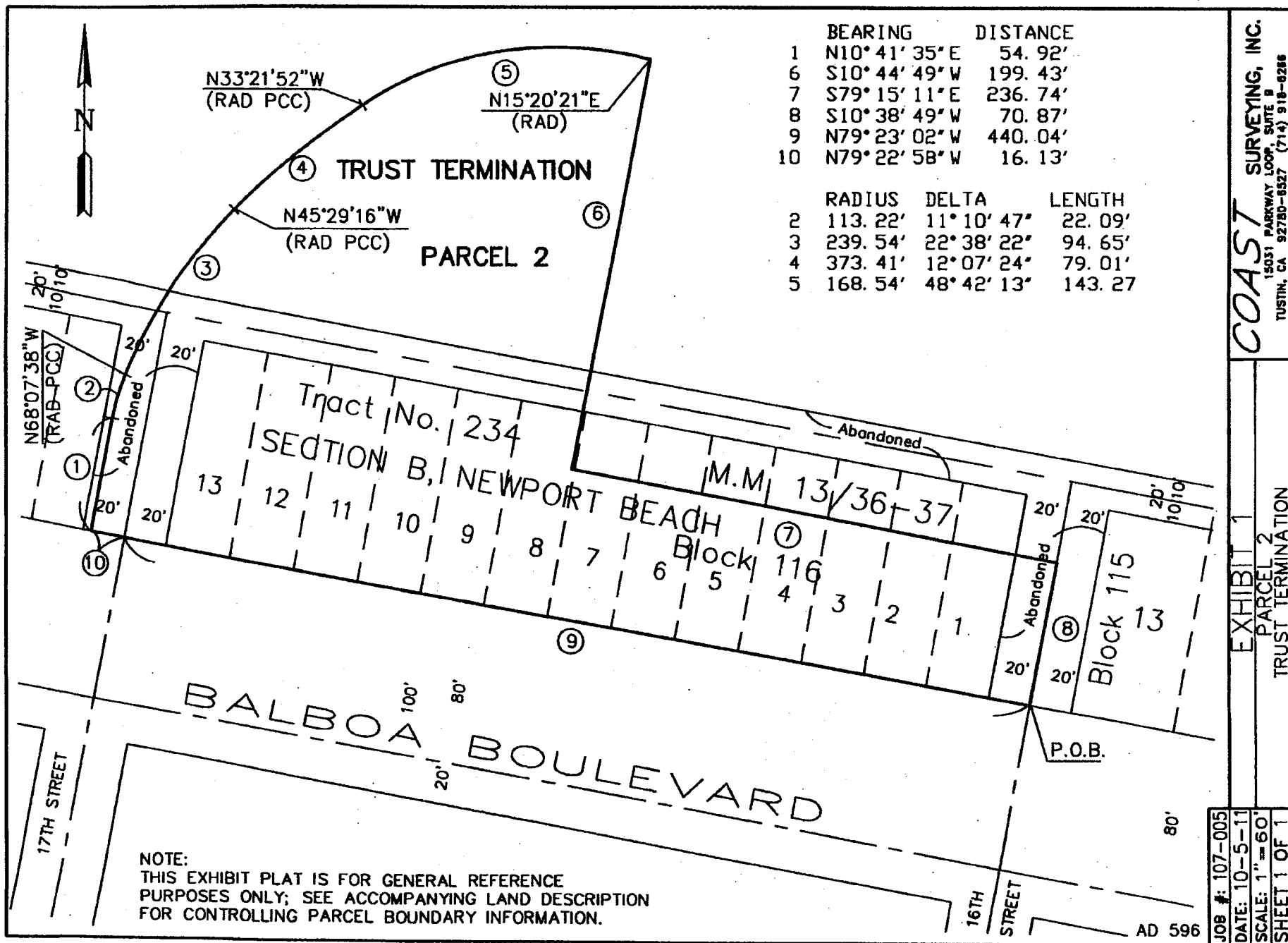
DATED THIS 5TH DAY OF OCTOBER, 2011.

Gwen Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108



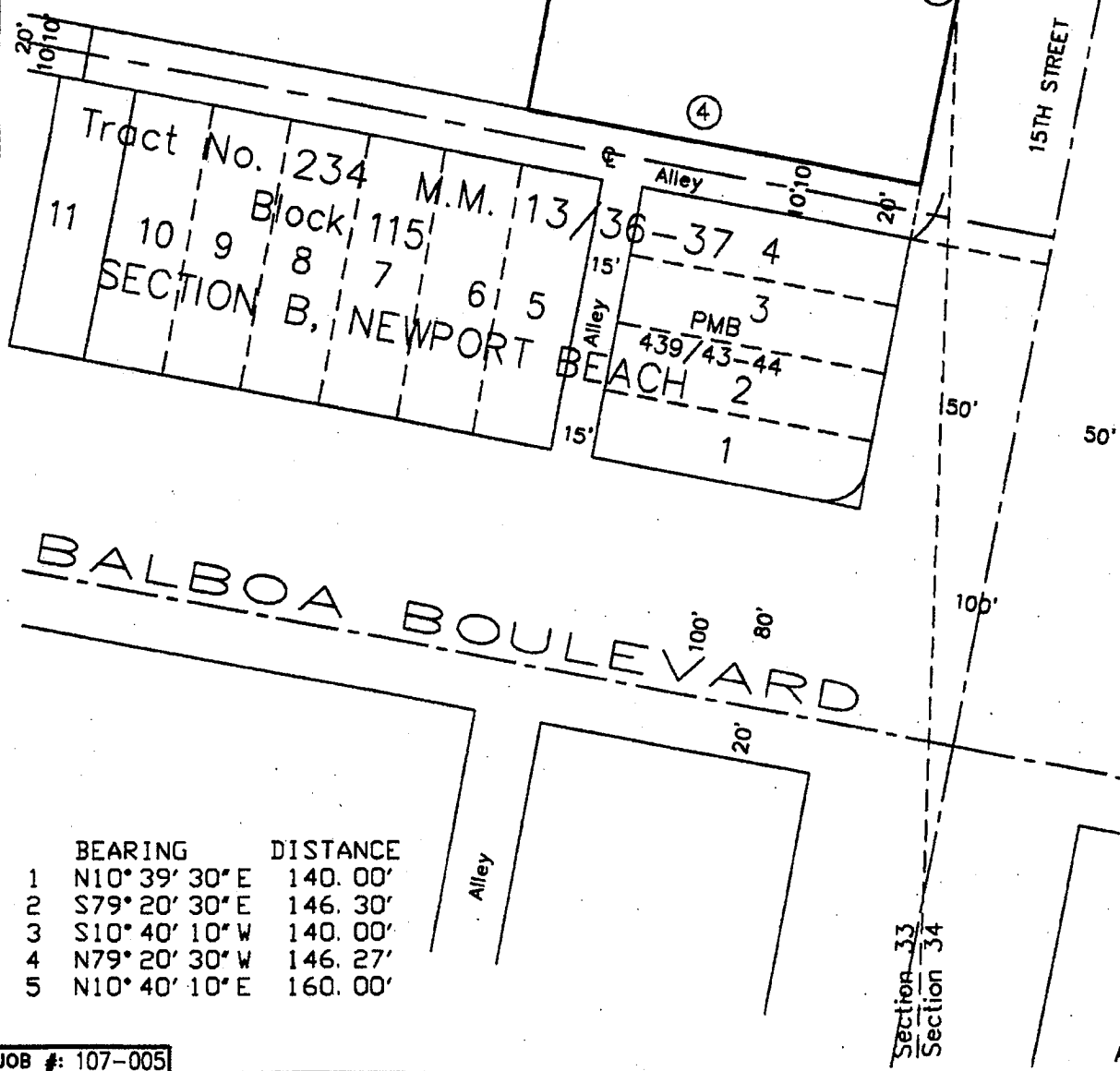




NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.

Portion of Lot 4,
Sec. 33 T6S, R10W, SBM

TRUST TERMINATION
PARCEL 3



	BEARING	DISTANCE
1	N10° 39' 30" E	140.00'
2	S79° 20' 30" E	146.30'
3	S10° 40' 10" W	140.00'
4	N79° 20' 30" W	146.27'
5	N10° 40' 10" E	160.00'

JOB #: 107-005
DATE: 10-5-11
SCALE: 1"=60'
SHEET 1 OF 1

EXHIBIT 1
PARCEL 3
TRUST TERMINATION

COAST SURVEYING, INC.
15031 PARKWAY LOOP, SUITE B
TUSTIN, CA 92780-6527 (714) 918-8266

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:
STATE OF CALIFORNIA
California State Lands Commission
Attn: Title Unit
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

**STATE OF CALIFORNIA
OFFICIAL BUSINESS**

Document entitled to free recordation
pursuant to Government Code Section 27383

SPACE ABOVE THIS LINE FOR

RECORDER'S USE
A.P.N.
County: Orange

W 26334

LEASE PRC 8946.9

This Lease consists of this summary and the following attached and incorporated parts:

Section 1	Basic Provisions
Section 2	Special Provisions Amending or Supplementing Section 1 or 4
Section 3	Description of Lease Premises
Section 4	General Provisions
Exhibit A	Site and Location Map

SECTION 1

BASIC PROVISIONS

THE STATE OF CALIFORNIA, hereinafter referred to as Lessor acting by and through the **CALIFORNIA STATE LANDS COMMISSION** (100 Howe Avenue, Suite 100-South, Sacramento, California 95825-8202), pursuant to Division 6 of the Public Resources Code and Title 2, Division 3 of the California Code of Regulations, and for consideration specified in this Lease, does hereby lease, demise, and let to **CITY OF NEWPORT BEACH**, hereinafter referred to as Lessee, those certain lands described in Section 3 subject to the reservations, terms, covenants, and conditions of this Lease.

MAILING ADDRESS:

City of Newport Beach, Trustee
3300 Newport Boulevard
Newport Beach, California, 92663

LEASE TYPE:

General Lease – Public Agency Use

LAND TYPE:

Sovereign

LOCATION:

Filled and unfilled sovereign tide and submerged land in Lower Newport Bay, adjacent to the Balboa Peninsula, specifically between 15th and 18th Streets, city of Newport Beach, County of Orange.

LAND USE OR PURPOSE:

Removal of existing improvements including the mobile home park; construction of a new public marina and parking lot; construction, use, and maintenance of a sailing center, public access paths, and aquatic beachfront park; and the continued use and maintenance of an existing parking lot, American Legion facilities, and open space for water-related recreation; as described in the City's EIR document SCH# 2008051096, certified on May 11, 2010.

TERM:

49 years; beginning September 1, 2011; ending August 31, 2060, or as of the effective date of the amended granting statute, whichever occurs first, or unless sooner terminated as provided under this Lease.

CONSIDERATION:

The public use and benefit; subject to modification by Lessor as specified in Paragraph 2 of Section 4 - General Provisions.

AUTHORIZED IMPROVEMENTS:

EXISTING: Marina, parking lot, American Legion facility.

TO BE CONSTRUCTED: Sailing center, marina, parking lot, public access paths, and aquatic beachfront park.

CONSTRUCTION MUST BEGIN BY: See Paragraph 2 of Section 2 below.

AND BE COMPLETED BY: See Paragraph 2 of Section 2 below.

LIABILITY INSURANCE:

N/A

SURETY BOND OR OTHER SECURITY:

N/A

SECTION 2 SPECIAL PROVISIONS

BEFORE THE EXECUTION OF THIS LEASE, ITS PROVISIONS ARE AMENDED, REVISED, OR SUPPLEMENTED AS FOLLOWS:

1. It is understood that this Lease is being issued pursuant to a Compromise Title Settlement Exchange Agreement as authorized under Cal. Pub. Res. Code § 6307 between the Lessee and the Lessor and is a necessary and integral component of said Agreement. In the event that there are conflicts between this Lease and that Agreement, the terms of the Agreement shall prevail.
2. Lessee shall remove existing Mobile homes from Lease Premises within two years of obtaining a Coastal Development Permit and all other State and Federal permits necessary for the proposed Marina Park development.
3. Lessee shall not add or permit any additional improvements beyond the improvements described in the City's EIR document (SCH# 2008051096, certified on May 11, 2010) for the Marina Park development to be placed on the Lease Premises without prior written consent of the Commission.
4. Lessee shall deposit any revenue generated from the Lease Premises into the City's public trust fund to be expended for trust purposes pursuant to Cal. Pub. Res. Code § 6306 and the City's trust grant. Non-motorized public access to the park and bay shall be free from charge.
5. Lessor is not responsible for any damage to any property, including any vehicles, equipment, tools, or machinery within the Lease Premises.
6. All construction activities, including restoration and remediation, shall be carried out in accordance with applicable regulations, permits, and conditions of all other agencies.
7. Lessee acknowledges and agrees:
 - a. The site may be subject to hazards from natural geophysical phenomena including, but not limited to, waves, storm waves, tsunamis, earthquakes, flooding, erosion, and sea level rise.
 - b. To assume the risks of injury and damage to Lessee, its agents, employees, contractors' permittees, invitees and guests and the Leased Lands from such hazards in connection with the development and use of the Leased Lands subject to any Coastal Development Permit.
 - c. To unconditionally waive any claim or damage or liability against the State of California, its agencies, officers, agents, and employees for injury and/or damage from such hazards to Lessee, its agents, employees, contractors, permittees, invitees and guests.

- d. To indemnify, hold harmless and, at the option of Lessor, defend the State of California, its agencies, officers, agents, and employees, against and for any and all liability, claims demands, damages, injuries, or costs of any kind and from any cause (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any alleged or actual injury, damage or claim due to site hazards or connected in any way with respect to the approval of any Coastal Development Permit involving the Leased Lands, except for any such liability, claims, damage or injury solely caused by the negligence of Lessor, its officers, agents and employees.
8. The provisions of Section 4, Paragraphs 9 (Insurance) and 9 (Surety Bond) are not applicable.
9. Lessor and Lessee shall expeditiously pursue obtaining the legislation necessary for State to transfer to Lessee, in trust, and under substantially the same terms as the statutory trust grant, the property subject to this Lease, as provided for in the Compromise Title Settlement and Land Exchange Agreement.
10. This Lease shall terminate if the Lease Premises are legislatively granted to Lessee.

In the event of any conflict between the provisions of Section 2 and Section 4 of this Lease, the provisions of Section 2 shall prevail.

SECTION 3
LAND DESCRIPTION
PUBLIC TRUST PARCEL

A PARCEL OF FILLED TIDE AND SUBMERGED LAND AND A PORTION OF SWAMP AND OVERFLOWED LANDS LOCATION NUMBER 3089 PATENT TO JAMES McFADDEN ON MAY 16, 1892, SITUATE IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY RIGHT OF WAY LINE OF 15TH STREET (100 FEET WIDE) AND THE UNITED STATES GOVERNMENT BULKHEAD LINE BETWEEN STATION NUMBER 118 AND STATION NUMBER 119, AS SHOWN ON THE MAP ENTITLED "HARBOR LINES - NEWPORT BAY, NEWPORT BEACH, CALIFORNIA", DATED MARCH 20, 1936, FILE NUMBER 958, APPROVED BY THE U.S. SECRETARY OF WAR ON MAY 2, 1936, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COASTAL PROJECTS SECTION, ENGINEERING DIVISION, U.S. ARMY CORPS OF ENGINEERS, LOS ANGELES DISTRICT; THENCE ALONG SAID WESTERLY RIGHT OF WAY LINE SOUTH 10°40'10" WEST 109.82 FEET TO A POINT WHICH IS 160.00 FEET NORTHERLY FROM THE NORTHEASTERLY CORNER OF LOT 4, BLOCK 115 OF TRACT NO. 234 AS PER MAP FILED IN BOOK 13, PAGES 36 AND 37 OF MISCELLANEOUS MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE NORTH 79°20'30" WEST 146.30 FEET; THENCE SOUTH 10°39'30" WEST 140.00 FEET TO A LINE PARALLEL WITH AND 20.00 FEET NORTH OF THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID PARALLEL LINE NORTH 79°20'30" WEST 165.12 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE CITY OF NEWPORT BEACH RESOLUTION NO. 4532, RESOLUTION ORDERING VACATION, RECORDED AUGUST 20, 1956 IN BOOK 3618, PAGE 210 OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE ALONG THE EASTERLY LINE OF SAID LAND DESCRIBED IN SAID DEED SOUTH 10°39'12" WEST 20.00 FEET TO THE NORTHERLY LINE OF SAID BLOCK 115; THENCE ALONG SAID NORTHERLY LINE SOUTH 79°20'30" EAST 20.00 FEET TO THE NORTHWEST CORNER OF LOT 10, BLOCK 115 OF SAID TRACT NO. 234; THENCE ALONG THE WESTERLY LINE OF SAID LOT 10 SOUTH 10°39'12" WEST 99.79 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD (100 FEET WIDE); THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°19'20" WEST 128.80 FEET TO THE CENTERLINE OF 16TH STREET (40 FEET WIDE, PORTION NOW ABANDONED); THENCE ALONG SAID CENTERLINE NORTH 10°38'49" EAST 70.87 FEET; THENCE NORTH 79°15'11" WEST 236.74 FEET; THENCE NORTH 10°44'49" EAST 199.43 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 168.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 15°20'21" EAST; THENCE SOUTHWESTERLY 143.27 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 48°42'13" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 373.41 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 33°21'52" WEST; THENCE SOUTHWESTERLY 79.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 12°07'24" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 239.54 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 45°29'16" WEST; THENCE SOUTHWESTERLY 94.65 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°38'22" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 113.22 FEET, A RADIAL BEARING TO SAID CURVE BEARS NORTH 68°07'38" WEST; THENCE SOUTHWESTERLY 22.09 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF

11°10'47"; THENCE SOUTH 10°41'35" WEST 54.92 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF BALBOA BOULEVARD; THENCE ALONG SAID NORTHERLY RIGHT OF WAY LINE NORTH 79°22'58" WEST 225.76 FEET; THENCE NORTH 10°37'02" EAST 219.64 FEET TO THE BEGINNING OF A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 52.74 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 15°22'54" WEST; THENCE NORTHWESTERLY, NORTHERLY AND NORTHEASTERLY 93.91 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 102°01'22" TO A POINT OF CUSP WITH A NONTANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 72.54 FEET, A RADIAL BEARING TO SAID CURVE BEARS SOUTH 00°47'02" EAST; THENCE NORTHWESTERLY 42.46 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 33°31'53" TO THE BEGINNING OF A REVERSE CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 72.01 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS NORTH 32°44'52" EAST; THENCE SOUTHWESTERLY 54.01 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 42°58'25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE NORTHWESTERLY HAVING A RADIUS OF 81.24 FEET, A RADIAL BEARING THROUGH SAID POINT BEARS SOUTH 10°13'33" EAST; THENCE SOUTHWESTERLY 38.37 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 27°03'38" TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF 18TH STREET (40 FEET WIDE); THENCE ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE NORTH 10°36'36" EAST 82.47 FEET TO SAID U.S. BULKHEAD LINE; THENCE ALONG SAID BULKHEAD LINE SOUTH 79°22'11" EAST 1280.68 FEET TO THE POINT OF BEGINNING.

CONTAINING 6.958 ACRES, MORE OR LESS.

END OF DESCRIPTION

DATED THIS 14TH DAY OF NOVEMBER, 2011.

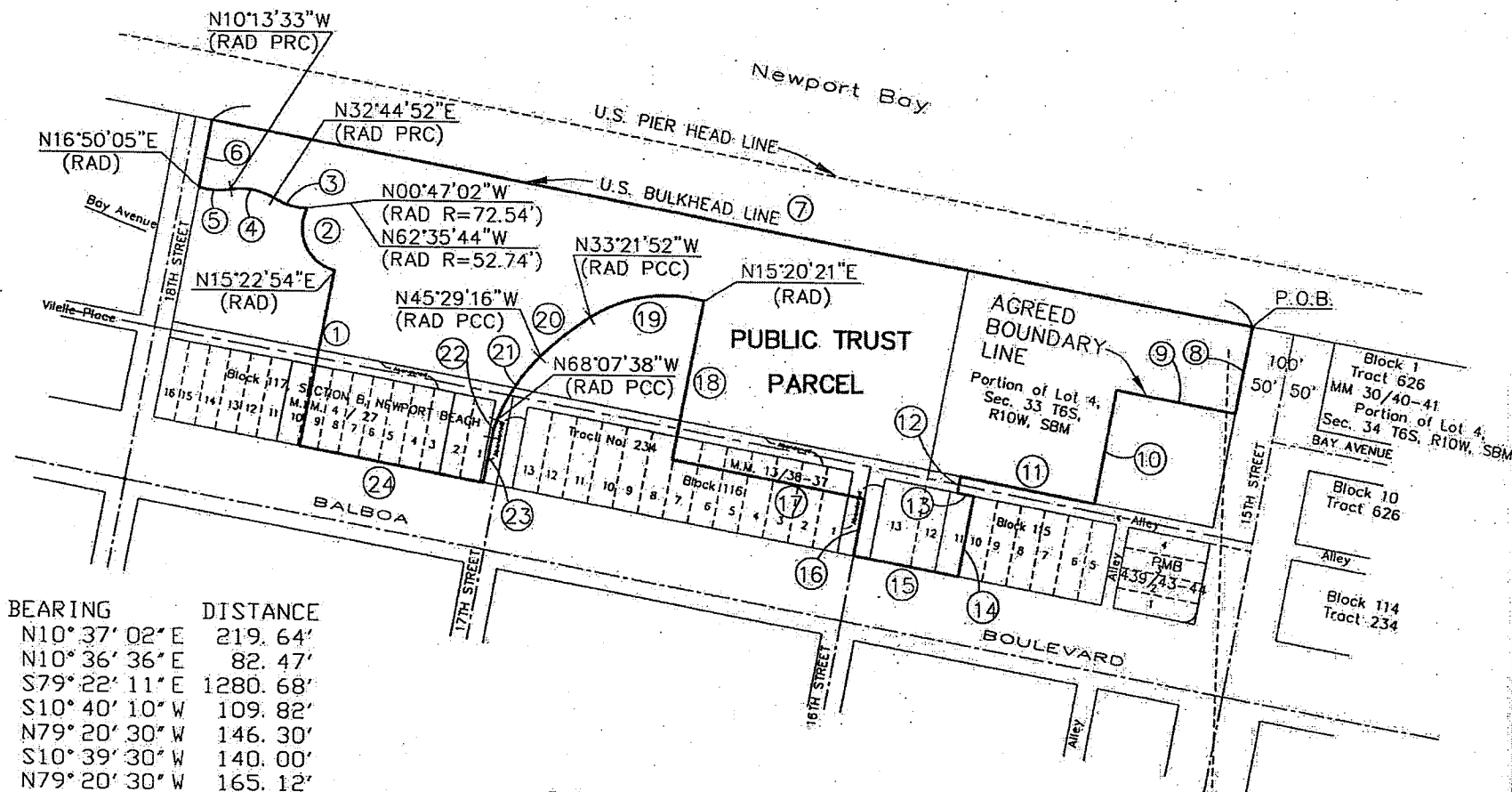
Gwen-Vera del Castillo

GWEN-VERA DEL CASTILLO, PLS 5108





NOTE:
THIS EXHIBIT PLAT IS FOR GENERAL REFERENCE
PURPOSES ONLY; SEE ACCOMPANYING LAND DESCRIPTION
FOR CONTROLLING PARCEL BOUNDARY INFORMATION.



BEARING	DISTANCE
1 N10°37'02"E	219.64'
6 N10°36'36"E	82.47'
7 S79°22'11"E	1280.68'
8 S10°40'10"W	109.82'
9 N79°20'30"W	146.30'
10 S10°39'30"W	140.00'
11 N79°20'30"W	165.12'
12 S10°39'12"W	20.00'
13 S79°20'30"E	20.00'
14 S10°39'12"W	99.79'
15 N79°19'20"W	128.80'
16 N10°38'49"E	70.87'
17 N79°15'11"W	236.74'
18 N10°44'49"E	199.43'
23 S10°41'35"W	54.92'
24 N79°22'58"W	225.76'

RADIUS	DELTA	LENGTH
2 52.74'	102°01'22"	93.91'
3 72.54'	33°31'53"	42.46'
4 72.01'	42°58'25"	54.01'
5 81.24'	27°03'38"	38.37'
19 168.54'	48°42'13"	143.27'
20 373.41'	12°07'24"	79.01'
21 239.54'	22°38'22"	94.65'
22 113.22'	11°10'47"	22.09'

AD 596

SECTION 4

GENERAL PROVISIONS

1. GENERAL

These provisions are applicable to all leases, permits, rights-of-way, easements, or licenses or other interests in real property conveyed by the State Lands Commission.

2. CONSIDERATION

(a) Categories

(1) Rental

Lessee shall pay the annual rental as stated in this Lease to Lessor without deduction, delay, or offset, on or before the beginning date of this Lease and on or before each anniversary of its beginning date during each year of the Lease term.

(2) Non-Monetary Consideration

If the consideration to Lessor for this Lease is the public use, benefit, health, or safety, Lessor shall have the right to review such consideration at any time and set a monetary rental if the State Lands Commission, at its sole discretion, determines that such action is in the best interest of the State.

(b) Modification

Lessor may modify the method, amount, or rate of consideration effective on each fifth anniversary of the beginning date of this Lease. Should Lessor fail to exercise such right effective on any fifth anniversary it may do so effective on any one (1) of the next four (4) anniversaries following such fifth anniversary, without prejudice to its right to effect such modification on the next or any succeeding fifth anniversary. No such modification shall become effective unless Lessee is given at least thirty (30) days notice prior to the effective date.

(c) Penalty and Interest

Any installments of rental accruing under this Lease not paid when due shall be subject to a penalty and shall bear interest as specified in Public Resources Code Section 6224 and the Lessor's then existing administrative regulations governing penalty and interest.

3. BOUNDARIES

This Lease is not intended to establish the State's boundaries and is made without prejudice to either party regarding any boundary claims which may be asserted presently or in the future.

4. LAND USE

(a) General

Lessee shall use the Lease Premises only for the purpose or purposes stated in this Lease and only for the operation and maintenance of the improvements expressly authorized in this Lease. Lessee shall commence use of the Lease Premises within ninety (90) days of the beginning date of this Lease or within ninety (90) days of the date set for construction to commence as set forth in this Lease, whichever is later. Lessee shall notify Lessor within ten (10) days after commencing the construction of authorized improvements

and within sixty (60) days after completing them. Lessee's discontinuance of such use for a period of ninety (90) days shall be conclusively presumed to be an abandonment.

(b) Continuous Use

Lessee's use of the Lease Premises shall be continuous from commencement of the Lease until its expiration.

(c) Repairs and Maintenance

Lessee shall, at its own expense, keep and maintain the Lease Premises and all improvements in good order and repair and in safe condition. Lessor shall have no obligation for such repair and maintenance.

(d) Additions, Alterations, and Removal

(1) Additions - No improvements other than those expressly authorized in this Lease shall be constructed by the Lessee on the Lease Premises without the prior written consent of Lessor.

(2) Alteration or Removal - Except as provided under this Lease, no alteration or removal of improvements on or natural features of the Lease Premises shall be undertaken without the prior written consent of Lessor.

(e) Conservation

Lessee shall practice conservation of water, energy, and other natural resources and shall prevent pollution and harm to the environment. Lessee shall not violate any law or regulation whose purpose is to conserve resources or to protect the environment. Violation of this section shall constitute grounds for termination of the Lease. Lessor, by its executive officer, shall notify Lessee, when in his or her opinion, Lessee has violated the provisions of this section and Lessee shall respond and discontinue the conduct or remedy the condition within 30 days.

(f) Toxics

Lessee shall not manufacture or generate hazardous wastes on the Lease Premises unless specifically authorized under other terms of this Lease. Lessee shall be fully responsible for any hazardous wastes, substances or materials as defined under federal, state or local law, regulation, or ordinance that are manufactured, generated, used, placed, disposed, stored, or transported on the Lease Premises during the Lease term and shall comply with and be bound by all applicable provisions of such federal, state or local law, regulation or ordinance dealing with such wastes, substances or materials. Lessee shall notify Lessor and the appropriate governmental emergency response agency(ies) immediately in the event of any release or threatened release of any such wastes, substances, or materials.

(g) Enjoyment

Subject to the provisions of paragraph 5 (a) (2) below, nothing in this Lease shall preclude Lessee from excluding persons from the Lease Premises when their presence or activity constitutes a material interference with Lessee's use

and enjoyment of the Lease Premises as provided under this Lease.

(h) Discrimination

Lessee in its use of the Lease Premises shall not discriminate against any person or class of persons on the basis of race, color, creed, religion, national origin, sex, age, or handicap.

(i) Residential Use

No portion of the Lease Premises shall be used as a location for a residence or for the purpose of mooring a structure which is used as a residence. For purposes of this Lease, a residence or floating residence includes but is not limited to boats, barges, houseboats, trailers, cabins, or combinations of such facilities or other such structures which provide overnight accommodations to the Lessee or others.

5. RESERVATIONS, ENCUMBRANCES, AND RIGHTS-OF-WAY

(a) Reservations

- (1) Lessor expressly reserves all natural resources in or on the Lease Premises, including but not limited to timber and minerals as defined under Public Resources Code Sections 6401 and 6407, as well as the right to grant leases in and over the Lease Premises for the extraction of such natural resources; however, such leasing shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.
- (2) Lessor expressly reserves a right to go on the Lease Premises and all improvements for any purpose associated with this Lease or for carrying out any function required by law, or the rules, regulations or management policies of the State Lands Commission. Lessor shall have a right of reasonable access to the Lease Premises across Lessee owned or occupied lands adjacent to the Lease Premises for any purpose associated with this Lease.
- (3) Lessor expressly reserves to the public an easement for convenient access across the Lease Premises to other State-owned lands located near or adjacent to the Lease Premises and a right of reasonable passage across and along any right-of-way granted by this Lease; however, such easement or right-of-way shall be neither inconsistent nor incompatible with the rights or privileges of Lessee under this Lease.
- (4) Lessor expressly reserves the right to lease, convey, or encumber the Lease Premises, in whole or in part, during the Lease term for any purpose not inconsistent or incompatible with the rights or privileges of Lessee under this Lease.

(b) Encumbrances

This Lease may be subject to pre-existing contracts, leases, licenses, easements, encumbrances, and claims and is made without warranty by Lessor of title, condition, or fitness of the land for the stated or intended purpose.

6. RULES, REGULATIONS, AND TAXES

(a) Lessee shall comply with and be bound by all presently existing or subsequently enacted rules, regulations, statutes or ordinances of the State Lands Commission or any other governmental agency or entity having lawful authority and jurisdiction.

(b) Lessee understands and agrees that a necessary condition for the granting and continued existence of this Lease is that Lessee obtains and maintains all permits or other entitlements.

(c) Lessee accepts responsibility for and agrees to pay any and all possessory interest taxes, assessments, user fees or service charges imposed on or associated with the leasehold interest, improvements or the Lease Premises, and such payment shall not reduce rental due Lessor under this Lease and Lessor shall have no liability for such payment.

7. INDEMNITY

(a) Lessor shall not be liable and Lessee shall indemnify, hold harmless and, at the option of Lessor, defend Lessor, its officers, agents, and employees against and for any and all liability, claims, damages or injuries of any kind and from any cause, arising out of or connected in any way with the issuance, enjoyment or breach of this Lease or Lessee's use of the Lease Premises except for any such liability, claims, damage or injury solely caused by the negligence of Lessor, its officers, agents and employees.

(b) Lessee shall notify Lessor immediately in case of any accident, injury, or casualty on the Lease Premises.

8. INSURANCE

(a) Lessee shall obtain and maintain in full force and effect during the term of this Lease comprehensive general liability insurance and property damage insurance, with such coverage and limits as may be reasonably requested by Lessor from time to time, but in no event for less than the sum(s) specified, insuring Lessee and Lessor against any and all claims or liability arising out of the ownership, use, occupancy, condition or maintenance of the Lease Premises and all improvements.

(b) The insurance policy or policies shall name the State of California, its officers, employees and volunteers as insureds as to the Lease Premises and shall identify the Lease by its assigned number. Lessee shall provide Lessor with a certificate of such insurance and shall keep such certificate current. The policy (or endorsement) must provide that the insurer will not cancel the insured's coverage without thirty (30) days prior written notice to Lessor. Lessor will not be responsible for any premiums or other assessments on the

policy. The coverage provided by the insured (Lessee) shall be primary and non-contributing.

(c) The insurance coverage specified in this Lease shall be in effect at all times during the Lease term and subsequently until all of the Lease Premises have been either accepted as improved, by Lessor, or restored by Lessee as provided elsewhere in this Lease.

9. SURETY BOND

(a) Lessee shall provide a surety bond or other security device acceptable to Lessor, for the specified amount, and naming the State of California as the assured, to guarantee to Lessor the faithful observance and performance by Lessee of all of the terms, covenants, and conditions of this Lease.

(b) Lessor may require an increase in the amount of the surety bond or other security device to cover any additionally authorized improvements, alterations or purposes and any modification of consideration.

(c) The surety bond or other security device shall be maintained in full force and effect at all times during the Lease term and subsequently until all of the Lease Premises have been either accepted as improved, by Lessor, or restored by Lessee as provided elsewhere in this Lease.

10. ASSIGNMENT, ENCUMBRANCING OR SUBLETTING

(a) Lessee shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease and shall not sublet the Lease Premises, in whole or in part, or allow any person other than the Lessee's employees, agents, servants and invitees to occupy or use all or any portion of the Lease Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld.

(b) The following shall be deemed to be an assignment or transfer within the meaning of this Lease:

(1) If Lessee is a corporation, any dissolution, merger, consolidation or other reorganization of Lessee or sale or other transfer of a percentage of capital stock of Lessee which results in a change of controlling persons, or the sale or other transfer of substantially all the assets of Lessee;

(2) If Lessee is a partnership, a transfer of any interest of a general partner, a withdrawal of any general partner from the partnership, or the dissolution of the partnership.

(c) If this Lease is for sovereign lands, it shall be appurtenant to adjoining littoral or riparian land and Lessee shall not transfer or assign its ownership interest or use rights in such adjoining lands separately from the leasehold rights granted herein without the prior written consent of Lessor.

(d) If Lessee desires to assign, sublet, encumber or otherwise transfer all or any portion of the Lease Premises, Lessee shall do all of the following:

(1) Give prior written notice to Lessor;

(2) Provide the name and complete business organization and operational structure of the proposed assignee, sublessee, secured third party, or other transferee; and the nature of the use of and interest in the Lease Premises proposed by the assignee, sublessee, secured third party or other transferee. If the proposed assignee, sublessee, or secured third party is a general or limited partnership, or a joint venture, provide a copy of the partnership agreement or joint venture agreement, as applicable;

(3) Provide the terms and conditions of the proposed assignment, sublease, or encumbrance or other transfer;

(4) Provide audited financial statements for the two most recently completed fiscal years of the proposed assignee, sublessee, secured party or other transferee; and provide pro forma financial statements showing the projected income, expense and financial condition resulting from use of the Lease Premises; and

(5) Provide such additional or supplemental information as Lessor may reasonably request concerning the proposed assignee, sublessee, secured party or other transferee.

Lessor will evaluate proposed assignees, sublessees, secured third parties and other transferees and grant approval or disapproval according to standards of commercial reasonableness considering the following factors within the context of the proposed use: the proposed party's financial strength and reliability, their business experience and expertise, their personal and business reputation, their managerial and operational skills, their proposed use and projected rental, as well as other relevant factors.

(e) Lessor shall have a reasonable period of time from the receipt of all documents and other information required under this provision to grant or deny its approval of the proposed party.

(f) Lessee's mortgage or hypothecation of this Lease, if approved by Lessor, shall be subject to terms and conditions found in a separately drafted standard form (Agreement and Consent to Encumbrancing of Lease) available from Lessor upon request.

(g) Upon the express written assumption of all obligations and duties under this Lease by an assignee approved by Lessor, the Lessee may be released from all liability under this Lease arising after the effective date of assignment and not associated with Lessee's use, possession or occupation of

or activities on the Lease Premises; except as to any hazardous wastes, substances or materials as defined under federal, state or local law, regulation or ordinance manufactured, generated, used, placed, disposed, stored or transported on the Lease Premises.

(h) If the Lessee files a petition or an order for relief is entered against Lessee, under Chapters 7,9,11 or 13 of the Bankruptcy Code (11 USC Sect. 101, et seq.) then the trustee or debtor-in-possession must elect to assume or reject this Lease within sixty (60) days after filing of the petition or appointment of the trustee, or the Lease shall be deemed to have been rejected, and Lessor shall be entitled to immediate possession of the Lease Premises. No assumption or assignment of this Lease shall be effective unless it is in writing and unless the trustee or debtor-in-possession has cured all defaults under this Lease (monetary and non-monetary) or has provided Lessor with adequate assurances (1) that within ten (10) days from the date of such assumption or assignment, all monetary defaults under this Lease will be cured; and (2) that within thirty (30) days from the date of such assumption, all non-monetary defaults under this Lease will be cured; and (3) that all provisions of this Lease will be satisfactorily performed in the future.

11. DEFAULT AND REMEDIES

(a) Default

The occurrence of any one or more of the following events shall immediately and without further notice constitute a default or breach of the Lease by Lessee:

- (1) Lessee's failure to make any payment of rental, royalty, or other consideration as required under this Lease;
- (2) Lessee's failure to obtain or maintain liability insurance or a surety bond or other security device as required under this Lease;
- (3) Lessee's vacation or abandonment of the Lease Premises (including the covenant for continuous use as provided for in paragraph 4) during the Lease term;
- (4) Lessee's failure to obtain and maintain all necessary governmental permits or other entitlements;
- (5) Lessee's failure to comply with all applicable provisions of federal, state or local law, regulation or ordinance dealing with hazardous waste, substances or materials as defined under such law;
- (6) Lessee's Failure to commence to construct and to complete construction of the improvements authorized by this Lease within the time limits specified in this Lease; and/or

- (7) Lessee's failure to comply with applicable provisions of federal, state or local laws or ordinances relating to issues of Health and Safety, or whose purpose is to conserve resources or to protect the environment.

(b) Lessee's failure to observe or perform any other term, covenant or condition of this Lease to be observed or performed by the Lessee when such failure shall continue for a period of thirty (30) days after Lessor's giving written notice; however, if the nature of Lessee's default or breach under this paragraph is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in default or breach if Lessee commences such cure within such thirty (30) day period and diligently proceeds with such cure to completion.

(c) Remedies

In the event of a default or breach by Lessee and Lessee's failure to cure such default or breach, Lessor may at any time and with or without notice do any one or more of the following:

- (1) Re-enter the Lease Premises, remove all persons and property, and repossess and enjoy such premises;
- (2) Terminate this Lease and Lessee's right of possession of the Lease Premises. Such termination shall be effective upon Lessor's giving written notice and upon receipt of such notice, Lessee shall immediately surrender possession of the Lease Premises to Lessor;
- (3) Maintain this Lease in full force and effect and recover any rental, royalty, or other consideration as it becomes due without terminating Lessee's right of possession regardless of whether Lessee shall have abandoned the Lease Premises; and/or
- (4) Exercise any other right or remedy which Lessor may have at law or equity.

12. RESTORATION OF LEASE PREMISES

(a) Upon expiration or sooner termination of this Lease, Lessor upon written notice may take title to any or all improvements, including fills, or Lessor may require Lessee to remove all or any such improvements at its sole expense and risk; or Lessor may itself remove or have removed all or any portion of such improvements at Lessee's sole expense. Lessee shall deliver to Lessor such documentation as may be necessary to convey title to such improvements to Lessor free and clear of any liens, mortgages, loans or any other encumbrances.

(b) In removing any such improvements Lessee shall restore the Lease Premises as nearly as possible to the conditions existing prior to their installation or construction.

(c) All plans for and subsequent removal and restoration shall be to the satisfaction of Lessor and shall be completed within ninety (90) days after the expiration or sooner termination of this Lease or after compliance with paragraph 12(d), whichever is the lesser.

(d) In removing any or all the improvements Lessee shall be required to obtain any permits or other governmental approvals as may then be required by lawful authority.

(e) Lessor may at any time during the Lease term require Lessee to conduct at its own expense and by a contractor approved by Lessor an independent environmental site assessment or inspection for the presence or suspected presence of hazardous wastes, substances or materials as defined under federal, state or local law, regulation or ordinance manufactured, generated, used, placed, disposed, stored or transported on the Lease Premises during the term of the Lease. Lessee shall provide the results of the assessment or inspection to Lessor and the appropriate governmental response agency(ies) and shall further be responsible for removing or taking other appropriate remedial action regarding such wastes, substances or materials in accordance with applicable federal, state or local law regulation or ordinance.

13. QUITCLAIM

Lessee shall, within ninety (90) days of the expiration or sooner termination of this Lease, execute and deliver to Lessor in a form provided by Lessor a good and sufficient release of all rights under this Lease. Should Lessee fail or refuse to deliver such a release, a written notice by Lessor reciting such failure or refusal shall, from the date of its recordation, be conclusive evidence against Lessee of the termination of this Lease and all other claimants.

14. HOLDING-OVER

Any holding-over by Lessee after the expiration of the Lease term, with or without the express or implied consent of Lessor, shall constitute a tenancy from month to month and not an extension of the Lease term and shall be on the terms, covenants, and conditions of this Lease, except that the annual rental then in effect shall be increased by twenty-five percent (25%).

15. ADDITIONAL PROVISIONS

(a) Waiver

(1) No term, covenant, or condition of this Lease and no default or breach of any such term, covenant or condition shall be deemed to have been waived, by Lessor's acceptance of a late or nonconforming performance or otherwise, unless such a waiver is expressly acknowledged by Lessor in writing.

(2) Any such waiver shall not be deemed to be a waiver of any other term, covenant or condition of any other default or breach of any term, covenant or condition of this Lease.

(b) Time

Time is of the essence of this Lease and each and all of its terms, covenants or conditions in which performance is a factor.

(c) Notice

All notices required to be given under this Lease shall be given in writing, sent by U.S. Mail with postage prepaid, to Lessor at the offices of the State Lands Commission and the Lessee at the address specified in this Lease. Lessee shall give Lessor notice of any change in its name or address.

(d) Consent

Where Lessor's consent is required under this Lease its consent for one transaction or event shall not be deemed to be a consent to any subsequent occurrence of the same or any other transaction or event.

(e) Changes

This Lease may be terminated and its term, covenants and conditions amended, revised or supplemented only by mutual written agreement of the parties.

(f) Successors

The terms, covenants and conditions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, successors, and assigns of the respective parties.

(g) Joint and Several Obligation

If more than one Lessee is a party to this Lease, the obligations of the Lessees shall be joint and several.

(h) Captions

The captions of this Lease are not controlling and shall have no effect upon its construction or interpretation.

(i) Severability

If any term, covenant or condition of this Lease is determined by a court of competent jurisdiction to be invalid, it shall be considered deleted and shall not invalidate any of the remaining terms, covenants and conditions.

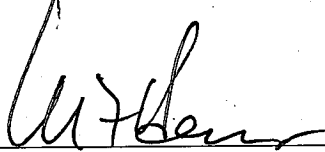
STATE OF CALIFORNIA - STATE LANDS COMMISSION

LEASE NO. PRC 8946.9

This Lease shall become effective only when approved by and executed on behalf of the State Lands Commission of the State of California and a duly executed copy has been delivered to Lessee. The submission of this Lease by Lessor, its agent or representative for examination by Lessee does not constitute an option or offer to lease the Lease Premises upon the terms and conditions contained herein, or a reservation of the Lease Premises in favor of Lessee. Lessee's submission of an executed copy of this Lease to Lessor shall constitute an offer to Lessor to lease the Lease Premises on the terms and conditions set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date hereafter affixed.

LESSEE: CITY OF NEWPORT BEACH

By: 

Michael F. Henn

Mayor

Attest: 
City Clerk

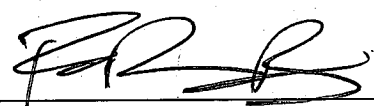
11-18-11

ACKNOWLEDGEMENT



LESSOR:

STATE OF CALIFORNIA
STATE LANDS COMMISSION

By: 
Chief
Land Management Division

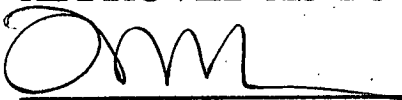
Title: _____

Date: JAN 24 2012

This Lease was authorized by the
California State Lands Commission on

09/01/2011
(Month Day Year)

APPROVED AS TO FORM:


City Attorney

11/17/11

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

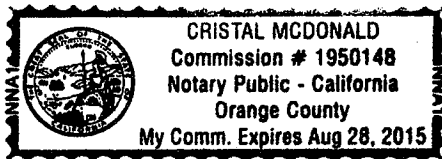
State of California

County of Orange

On November 18, 2011 before me, Cristal McDonald, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Michael F. Henn
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Cristal McDonald
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Lease PRC 8946.9 SLC + City of Newport Beach

Document Date: _____ Number of Pages: 13

Signer(s) Other Than Named Above: State Lands Commission

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

☐ Corporate Officer — Title(s): _____ ☐ Corporate Officer — Title(s): _____

☐ Individual ☐ Individual

☐ Partner — ☐ Limited ☐ General ☐ Partner — ☐ Limited ☐ General

☐ Attorney in Fact ☐ Attorney in Fact

☐ Trustee ☐ Trustee

☐ Guardian or Conservator ☐ Guardian or Conservator

☐ Other: _____ ☐ Other: _____

Signer Is Representing: _____ Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

RIGHT THUMBPRINT
OF SIGNER
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